NewBay Media

Multichannel NEWS

VOLUME 34 ▸ NUMBER 47 ▸ WWW.MULTICHANNEL.COM ▸ DECEMBER 16, 2013 ▸ $6.95


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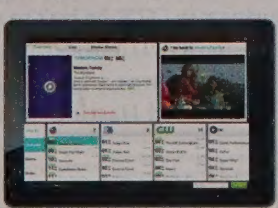
When Bigger Isn't Better

Retiring Time Warner Cable Chief Glenn Britt Cautions Against Consolidation for Scale's Sake

JOHN STALEY

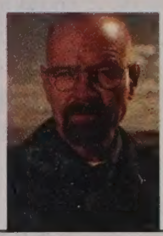
plus

NimbleTV to Take Manhattan And Pay TV to the Cloud



Movement on Retrans Reform at FCC, on Hill

Cable's Nominees At Globes, SAGs



agenda

ONLINE VIDEO
MCN SNEAK PEEK
Click through to catch a trailer for Kevin Spacey's return in season two of Netxflix's *House of Cards* at **multichannel.com/Dec16**.

NimbleTV Takes Manhattan

CLOUD PLATFORM CLAIMS IT BOLSTERS PAY-TV MODELS

BY JEFF BAUMGARTNER

NimbleTV doesn't have any direct relationships with pay TV operators, but the startup claims that its cloud-based platform, which essentially provides a virtualized version of a Slingbox and a DVR, is a friend, rather than foe, to cable- and satellite-TV providers.

Following a trial period, NimbleTV formally launched its multiscreen-capable platform in New York last week, debuting a system that allows subscribers to several major New York-area multichannel video programming distributors to access their content online.

NimbleTV offers two types of two types of packages to area residents: an "add-on" package that delivers a mix of local channels to existing, validated cable customers via the cloud, and a fuller set of services for customers that do not already have a video subscription.

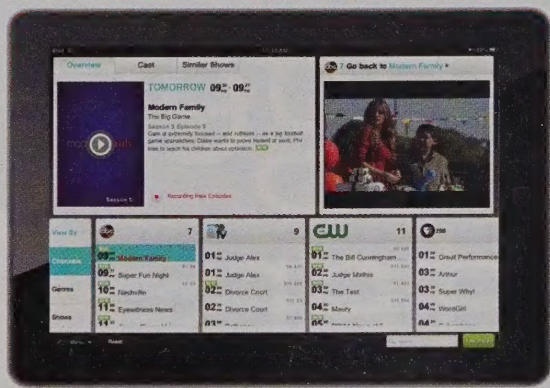
TAKEAWAY

Launching in the Big Apple, Nimble deftly avoids aggravating pay TV operators like similar service Aereo has.

'SUPPORTS' 4 MVPDS

Area residents who have pre-existing pay TV subscriptions can tap into NimbleTV's platform to access their local broadcast-TV lineups (up to 24 of them for now, with more planned in the future) from the cloud, starting at \$3.99 per month. NimbleTV said it "supports" four local providers: Time Warner Cable, Cablevision Systems, Verizon Communications's FiOS TV and RCN.

Unlike Aereo, which uses an antenna array and cloud-based system to sell its own subscription packages, NimbleTV's local-TV packages require an underlying cable subscription that it verifies with the customer's cable login credentials.



NimbleTV lets cable subscribers access TV via the cloud.

NimbleTV's broader "concierge" option gives customers online access to three different subscription-TV packages, starting at \$29.98 and offering a lineup of more than 130 local, national cable and premium channels. The company did not reveal whose system it's piggybacking on initially to deliver its fully-fledged TV package, but it used Dish Network during the trial phase.

Under the hosted, concierge model, NimbleTV signs up customers for video services and manages the installation of set-tops at a data center, where it re-encodes the signals and passes them along to customers; users access the service on a variety of devices, including PCs, Roku boxes, iOS devices, select smart TVs and the Apple TV box (via Airplay). NimbleTV plans to add Android devices to the list soon.

All of NimbleTV's packages include cloud-DVR service plans: \$3.99 for 20 hours of storage, \$4.99 for 40 hours and \$6.99 for 90 hours.

NimbleTV holds that its approach is friendly, not disruptive, to MVPD business models. The company views itself as a middleman of sorts.

"The [billing] relationship is between the operator and the customer," CEO Anand Subramanian said. "We just sign them up and we host their TV in our data center in the cloud."

Although NimbleTV customers get access to one primary login and password, they can also create up to three sub-accounts, he noted.

Subramanian said NimbleTV only makes money on its cloud-DVR service and doesn't profit from the baseline subscription services it is providing access to via its data centers.

New York is just the start. NimbleTV is already taking pre-orders in India, and expects to launch data centers in Germany and Russia in 2014. As for its U.S. expansion, it's taking a demand-based approach by asking consumers to cast votes. Based on recent results, Chicago is likely to be among the next U.S. destinations for the service, Subramanian said.

NimbleTV won't say how many customers it has, but Subramanian said it attracted 80,000 users for its original beta trial. For what it's worth, NimbleTV's Facebook account had 232,026 "likes" as of last Friday morning (Dec. 13).

STAYING 'AGNOSTIC'

NimbleTV has no plans to work directly with MVPDs, nor does it believe it has to. "We want to be agnostic," Subramanian said. "We're not looking to have any partnerships or relationships with anyone. We represent the consumer and don't want to be locked into one provider for any reason."

Dish has previously said NimbleTV is not an authorized Dish reseller and that Dish has not authorized the company to market or promote its services. The satellite provider has not indicated whether it intends to take any formal action against NimbleTV.

Founded in 2010, NimbleTV raised \$6 million last fall and has 17 full-time employees. Tribune, Greycroft Partners and Tribeca Venture Partners are among its financial backers.

CEO Says DirecTV Would Love to Go Over the Top

BY MIKE FARRELL

NEW YORK — Just months after its bid for online video pioneer Hulu was rebuffed, DirecTV is focusing on developing its own subscription video-on-demand or over-the-top service, most likely one that would be targeted at so-called "millennial cord-cutters," chairman and CEO Mike White told analysts and investors last week.

White has openly lamented the loss of Hulu, which canceled its auction in July after its owners decided to pump an additional \$750 million into the company. White told the audience at DirecTV's annual Investor Day meeting here Dec. 12 that he believed DirecTV could have brought some unique things to the Hulu party, including leveraging the satellite operator's subscriber base in Latin America and the U.S., and possibly adding to Hulu's kids' offerings.

The DirecTV chief said it is still premature to say how the satellite giant will address the OTT space but that, over the next three years, the company will be "looking at electronic sell-through, SVOD and over-the-top ideas."

He added that the main hurdle to an OTT product was not technological.

"The technology is not the challenge," White said. "It's the [programming] rights landscape. I'm optimistic that probably over the next 12 months we will have more to say about that, in terms of our first priorities. We think it's an opportunity."

White estimated that consumers are spending about \$5 billion in the OTT area, and that amount is expected to grow, especially among younger viewers who access more and more entertainment online.

While White sees a business in OTT, he isn't so sure about putting an app for the top SVOD provider, Netflix, on his set top. The Netflix app was a hot topic in October, when Netflix CEO Reed Hastings said he would like to see the app on the set-tops of leading video-service providers like Comcast.

White said about 30% of DirecTV subscribers currently subscribe to Netflix as well, and it would not be technologically difficult to embed a Netflix app on DirecTV boxes.

"If the consumer demands it, we'll be there," White said, adding that customers so far aren't asking for it. "It's not necessarily in our interests to undermine our pay-per-view movie business, where we make nice margins, in order to help Reed [Hastings] out."

White said DirecTV also is in active discussions with the National Football League about renewing its deal for the "NFL Sunday Ticket" out-of-market game package, which expires at the end of the 2014 football season.

"We have had very, very constructive conversations with the NFL," White said. "I am very optimistic we will get an exclusive deal done with NFL Sunday Ticket. We still have a whole other season to go."

Canoe Keeps Paddling As Nets Test Waters

BY JEFF BAUMGARTNER

NEW YORK — Canoe, the cable-backed advanced-advertising venture, is close to having all of the nation's major broadcasters on board for a run at the still small, yet growing, market for video-on-demand advertising.

The latest big broadcaster to join the cause is ABC. That network, as well as cable channel ABC Family and independent multiplatform, VOD-only programmer Sportskool, are all now working with Canoe, whose remaining backers are Comcast, Cox Communications, Bright House Networks and Time Warner Cable (former members Cablevision Systems and Charter Communications are no longer on board).

Canoe's Chris Pizzurro: ABC, ABC Family and Sportskool will launch VOD ad campaigns "in the coming weeks."

The deals with Sportskool, ABC and ABC Family are sealed up, and the networks will begin to roll out ad campaigns with Canoe "in the coming weeks," Chris Pizzurro, head of product, sales and marketing for the ad venture, said in announcing the deals here last Wednesday (Dec. 11) at the TV of Tomorrow Show.

Under the deals, Canoe will provide those programmers with a platform to splice ads dynamically into video-on-demand streams delivered to a set-top box. Canoe has yet to announce a product that can insert those ads into IP video streams and TV Everywhere applications.

Notably, ABC is jumping on board with Canoe as Comcast expands its tests of On Demand Commercial Ratings (ODCR), a model that dynamically inserts the Nielsen-measured C3 ad load into the most recent episode of a TV series delivered via VOD as well as in previous episodes in the season. Comcast conducted a small, technical trial of ODCR with NBCUniversal and Nielsen in Philadelphia and Boston over the summer, and now has a similar pilot underway with ABC. CBS, meanwhile, has said it is interested in partnering with Comcast on an ODCR trial; Pizzurro said Canoe is "in discussions" with the broadcaster.

TAKEAWAY

With ABC on board, advanced advertising venture Canoe now counts nearly all of the major U.S. broadcasters among the 95 channels that have signed up to use the advanced advertising platform.

The latest round of deals means Canoe now has corporate deals with Disney, NBCU, Fox and Scripps Networks. Fox, FX, Food Network, Cooking Channel, DIY Network, USA Network, CNBC, FearNet, NBC Sports Network, Sprout, G4, Syfy and E! are among the individual channels currently on board.

Pizzurro told *Multichannel News* in a separate interview that 95 networks are now signed on under those deals, with more anticipated to follow in 2014. Of those 95 channels, 23 are currently running ad campaigns and, together, conducted 68 VOD advertising campaigns with Canoe in November.

Canoe's platform is now deployed to roughly 29.5 million U.S. homes, covering designated market areas (DMAs) such as New York, Los Angeles, Chicago and Boston. Those are largely coming by way of deployments with Comcast and TWC. Pizzurro said the plan is to roll out Canoe's platform on Cox and Bright House systems throughout 2014.

Addressable Ads Leave 'Crawl' Stage
See page 8

Canoe's transformation into a VOD-focused outfit got underway in February 2012, when the joint venture shut down its interactive advertising operations and its New York office, and laid off 120 employees.

10 STORIES THAT MATTER

1 Britt's Perspective
Time Warner Cable chairman and CEO Glenn Britt talks about the cable industry, his company and his career (see cover story, page 11).

2 Bear Hug On Way?
Reports on Friday (Dec. 13) indicated Charter was preparing a letter containing an unsolicited offer to buy Time Warner Cable (see multichannel.com/Dec16).

3 Ad Tech Advances
Expert perspectives on the development of advanced advertising were presented at a NewBay Media conference (words and pictures start on page 8).

4 Aereo Twist
The TV-station aggregator backs efforts by broadcasters that want the U.S. Supreme Court to decide, once and for all, if Aereo is legal (see multichannel.com/Dec16).

5 Re-Dos to the Rescue
Business makeovers are leading to ratings success at networks including Spike TV, Food and Travel Channel (see page 24).

6 Deal Rumors Lift Scripps
Shares in the HGTV and Food Network parent rose as much as 8% on Dec. 11, after a report in *Variety* that Discovery Communications was weighing a takeover (see multichannel.com/Dec16).

7 New Topper At ABC Family
Tom Ascheim, a former Nickelodeon executive, emerged as the surprise successor to the network's departing president (see multichannel.com/Dec16).

8 'Dexter' Adds New Home
NUVOtv, the Latino-focused service, secured exclusive basic-cable syndication rights to the longtime Showtime series (see multichannel.com/Dec16).

9 Noms, and More Noms
Nominations for Golden Globes and Screen Actors Guild awards gave many cable networks reason to brag last week (see page 36).

10 Calderone's CD Selection
From girl power to "jingle-jangle pop," VH1's president shares with The Wire his personal best-albums list of 2013 (see page 40).

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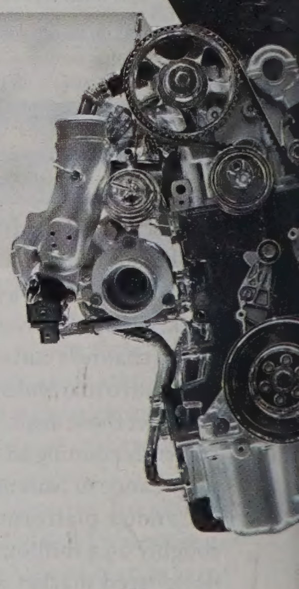

My Classic Car with Dennis Gage
America's love affair with all things automobile shifts into high gear with everything from local cruise-ins to the world's most prestigious classic car shows.
STACEY DAVID'S GEARZ
On the road, off the road, in the water or in the air. If it's mechanical, Gearz shows us not only how it's built, transformed and customized, but how it redefines performance.
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Short-Term Fixes Emerge For Retrans, Other Reforms

SCALISE, ESHOO AMONG THOSE WITH NEW BILLS

BY JOHN EGGERTON

WASHINGTON — A proposed multiyear look at video and other communications-reform legislation appears to have lit a fire under efforts for more near-term fixes, though ones with long odds of making it into law.

It has also brought the National Cable & Telecommunications Association a little closer to the retransmission fray — in a move that looks a bit like Pittsburgh Steelers coach Mike Tomlin's veer into the field of play to impede the runner.

TAKEAWAY

Reacting to the possibility that omnibus communications law reform may be on the horizon, a number of shorter-term approaches were offered in video-reform bills last week.

On the news two weeks ago that the House Energy & Commerce Committee was planning to take a deep dive into communications-reform legislation that would include a year's worth of hearings and studies before any action, Rep. Steve Scalise (R-La.) had signaled that should not prevent reforms of the 1992 Cable Act that needed more immediate attention.

House Communications Subcommittee chairman Greg Walden (R-Ore.) had signaled the deep-dive approach was a better venue than the Satellite Television Extension and Localism Act (STELA) for dealing with broader video reforms like retransmission consent.

True to his word, Scalise last week reintroduced his Next-Generation Television Marketplace Act, a bill that would take a chainsaw to what he sees as outdated and counterproductive regulation.

Features would include repealing compulsory copyright licenses, must-carry and must-buy regulations and some local-media ownership limits.

On the same day, Rep. Anna Eshoo (D-Calif.), introduced her long telegraphed Video CHOICE (Consumers Have Options in Choosing Entertainment) Act, after having circulated a draft in September. Eshoo is another legislator not looking to wait years for overarching reforms.

Eshoo's bill, co-sponsored by Rep. Zoe Lofgren (D-Calif.), would prevent retransmission blackouts, remove the must-buy status of retransmitted stations on cable systems, and unbundle owned or affiliated cable networks from TV stations in retransmission deals.

The American Television Alliance, which includes cable companies Time Warner Cable, Charter Communications, Cablevision Systems and Bright House Networks, has been taking the point on retransmission, along with the American Cable Association.

The ATVA praised the bills, talking about the "escalating harm to consumers" from the retrans system and listing the growing number of blackouts.

The ACA took the strongest tack, seeing the ATVA's consumer "harm" argument and raising it, chipping in a statement about broadcasters' relentless abuse of outdated retransmission-consent rules.

The National Association of Broadcasters, in contrast, slammed both bills.

Neither bill is seen as likely to make it to President Obama's desk, even with what seemed to be a more bipartisan tone in Washington last week. A budget deal was reached, and agreement was found on bipartisan legislation to reform the FCC and pay government spectrum holders to share or relinquish spectrum.

Everybody Wants to Get Into the Act(s)

Video-reform bills were coming out of the well-polished Capitol Hill woodwork last week, seemingly in response to a plan to roll up such issues into an omnibus communications law reboot that could take years.

▶The Video CHOICE Act: Rep. Anna Eshoo (D-Calif.) wants "to eliminate broadcast television blackouts and give consumers greater flexibility to choose the channels they receive each month from their cable, satellite or other pay TV provider." For the particulars, visit multichannel.com/Dec.16.

▶The Next Generation Television Marketplace Act: Rep. Steve Scalise (R-La.) has reintroduced this bill, his periodic effort to update the 1992 Cable Act by getting rid of the compulsory copyright licenses and must-carry regulations.

▶The Community Access Preservation (CAP) Act: From Sens. Tammy Baldwin (D-Wisc.) and Ed Markey (D-Mass.), this bill would amend the 1992 Cable Act to allow franchise fees for PEG channels to apply to salaries; attempt to get cable ops to make those channels as accessible as local TV stations (rather than, say, making them subchannels under a generic guide heading); and ensure cable ops still pony up the bucks to support them with 2% of their gross revenue.

—*John Eggerton*

TV Everywhere's Success Hinges on Simplicity: Panel

BY JEFF BAUMGARTNER

NEW YORK — For consumer adoption of TV Everywhere services to reach the next level, operators and programmers would do well to adhere to the K.I.S.S. principle: Keep It Simple, Stupid.

Although other elements, such as broader access to content and personalization, will also help to drive up usage, panelists at the TV of Tomorrow Show here last Wednesday (Dec. 11) agreed that simplicity rises to the top in terms of importance.

"Authentication isn't necessarily the problem. We have to make it easier."

MATT STRAUSS, COMCAST

While authentication is critical because it ensures only customers who have the rights to TV Everywhere fare can access it, the technical process should be more automated and occur behind the scenes, panelists agreed.

"Ultimately, we need to remove the consumer from the authentication process," Jeremy Helfand, vice president of video solutions at Adobe, said.

"Authentication isn't necessarily the problem," Matt Strauss, Comcast's senior vice president and general manager of video services, said. "We have to make it easier."

Companies such as Comcast and Adobe have solved part of this issue using a feature that automatically authenticates customers when they are accessing TV Everywhere content via a PC on the home network. Comcast has previously said it is working toward extending this password-free feature, called Home Pass, to other platforms, including iOS and Android devices. Comcast has also introduced Facebook Connect, which lets customers link their Comcast.net accounts to their Facebook accounts.

But Strauss acknowledged that features like HomePass will have some challenges as operators and programmers develop and launch features tailored for individual customers within the household. "If I want to personalize that experience, I need to know who you are," he said.

Helfand, to launch the panel, presented a TV Everywhere "mandate" that includes a bigger focus on not just simplicity, but also on content ubiquity, content discovery and content personalization.

On the content side, TV Everywhere is still a fragmented mess, panelists said. Some programmers allow live TV feeds to be streamed in the home, while others allow out-of-home access, and still others don't allow access to any live TV feeds at all. The amount of TV Everywhere content offered on demand also varies by programmer and by operator. Although the industry is chipping away at it, TV Everywhere content is far away from reaching a goal of ubiquity.

ADVANCED ADVERTISING

Addressable Ads Ready To Walk and Not 'Crawl'

WEB VIDEO-STYLE AD NETS WILL BOOST TV, SAYS EXEC

BY KENT GIBBONS

NEW YORK — Advertising targeted to collections of individually addressed homes, rather than by timeslot or program, is in the "crawl" stage now but should grow following a pattern established by online video ads, a technology vendor in the field said.

Satellite-TV providers DirecTV and Dish Network are doing some addressable campaigns on linear broadcasts, and Comcast is inserting ads into some on-demand video, BlackArrow president Nick Troiano said during an afternoon panel session at the *Multichannel News/Broadcasting & Cable* Advanced Advertising event here last week. As those efforts increase, ad networks will emerge to package the inventory and accelerate the sales growth, which is how online digital ads took off, Troiano said.

There are disadvantages to that approach — losing control over valuable assets and selling them as a commodity — and even on the online end, the ad networks took 12 years to establish themselves, Troiano said. But he expects to see "significant uplift" on addressable-ad buys in 2014.

He also offered some context for the emergence of IP video streaming of TV shows over readily measurable devices like tablets. Citing Comcast executive Marcien Jenckes, he said 97% of television is viewed on a TV set, and 99% of TV is viewed in the home. And technology is far less of a concern than other aspects of the business model, he said.

Multichannel providers have to learn how to sell addressable ads, and agencies must understand the benefits and then sell networks on those benefits, he said.

"Everyone's testing it, but we're still at the crawl phase for true addressable," Troiano said. The top two global agencies see promise in addressability, he said, and are experimenting with addressable campaigns for 20 to 30 top brands.

MARK REINERTSON

BlackArrow's Nick Troiano said he predicts "significant uplift" in addressable ads in 2014.

Matthew Van Houten, director of product marketing and ad sales strategy for AT&T AdWorks, said the telco's all-IP platform enables the sale of media-buy schedules using data from actual views on 14 million set-tops in U-verse's 5.3 million homes.

"We're trying to make big data small, make it actionable," he said during the panel. Through cooperative arrangements with other multichannel video providers, including Cox Communications, the schedule can be applied to reach 45 million homes.

And David Leider, CEO of Gas Station TV, said his network's selling attribute is gearing ads to locations near where the network is broadcasting ESPN, Bloomberg Television and CNN to drivers filling their tanks. A McDonald's ad inserted by GSTV will push promotions for restaurants in the area, and display their coordinates on a map, he said.

TWC's Lapa: Innovators Must Stay Nimble

BY DADE HAYES

NEW YORK — Successfully navigating the rapidly changing ad sector in a multiplatform media world requires open-mindedness and flexibility at every turn.

MARK REINERTSON

MCN technology editor Jeff Baumgartner (l.) and Time Warner Cable's Warren Lapa at the Advanced Advertising kickoff keynote.

That was a central theme of the kickoff keynote session featuring Time Warner Cable's Warren Lapa at last Tuesday's Advanced Advertising event.

"It's really about striking the balance between traditional TV and the way consumers are using devices and directing their experience," Lapa, group vice president of digital products and business development, said. "And what's interesting is the vast differences between all of our advertisers."

Moderator Jeff Baumgartner, technology editor of *Multichannel News*, asked Lapa about TWC's second-screen approach.

"I can say that if you have a device in one hand while you're watching your big-screen TV, you are probably less likely to skip ads because your hands are full," Lapa quipped. "That device may be the ultimate defense against ad-skipping."

Dade Hayes is executive editor of B&C.

MORE ONLINE

For more coverage of Advanced Advertising, visit multichannel.com/Dec16.

Leece: Despite Lack Of Scale, Category Ready for Takeoff

BY MIKE REYNOLDS

NEW YORK — Bret Leece, chief analytics officer for Initiative U.S., likens the status of addressable advertising to activity an airport.

Speaking during the closing keynote at the *Multichannel News/Broadcasting & Cable* Advanced Advertising event here at the Roosevelt Hotel here last week, Leece said this level of advanced advertising has not landed scale yet.

"Call it the testing phase, but I think it's taking off," he said. "To use the analogy of a plane at the end of the runway, it's a couple of feet off the ground. I'm not sure high it will go, but it's taking off."

MARK REINERTSON

Intiative's Bret Leece told attendees addressable ads will need to move up the pecking order to find success.

Asked by *Broadcasting & Cable* business editor Jon Lafayette about advanced advertising's acceptance from advertisers, Leece said it depends on the type of client. "It's much easier for hard-core DR [direct-response] advertisers, who want a response and want it now," versus brand advertisers "measuring more things on delivery." For brand advertisers, things are "a little further out," he said.

To engender more activity in this sector overall will require a reordering of the way TV is purchased, if buyers want suppliers to open up inventory for these practices, Leece said. Foremost, he emphasized that addressable needs to be the first messaging form that is thought about, not the last.

From there, he outlined three basic precepts that need to change in order to lift the profile and practice of advanced advertising.

Buyers/clients must identify the planning target and how it can be reached from an addressable perch. "That's a 100% concentration of target plans."

Secondly, it's critical that "big data" inform these decisions. "At [Initiative's] Mediabrands [unit] we've been investing pretty big in single-source data sets that bring all these things together," referencing passive media exposure, demo information, behaviors attached to those groups, information derived from live surveys and sales data.

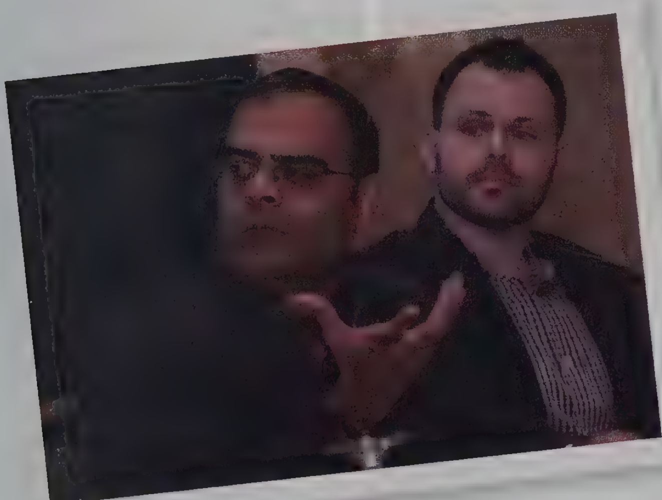
The third thing, Leece said, involves advertisers maintaining deep-seated belief in the planning target. "Sometimes what it comes down to is that they really want to be mass, even though they love the strategic chart."

He said clients need to get comfortable with advanced advertising's higher CPMs, and then measure the effectiveness and analytics around the buys.

ADVANCED ADVERTISING

Panelists **David Kline** (l.), CEO of Ensequence; **Adam Lowy**, GM, interactive and advanced TV, Dish Network; and **Neerav Shah**, VP, advertising solutions, Arris.

Sarah Foss, president of advertising at Yangaroo, speaks during an Advanced Advertising panel session.



Panelists **Venat Krishnan** (l.), VP of products at SeaChange, and **Tim MacGregor**, director, product management and strategy at Clearleap.

Panelist **Matthew Van Houten**, director of product marketing and ad sales strategy at AT&T AdWorks.

Cablevision's **Jim Randolph** (l.) enjoys a post-event cocktail with **Jeff O'Brien** and **John Boland** of Arris.

PHOTOS BY MARK REINERTSON


WE PROUDLY SALUTE
GLENN BRITT
True innovator. Incomparable industry leader.
Congratulations, and thank you for your vast contributions to cable television.
FROM YOUR FRIENDS AT HBO

A Pioneer Leaves the Trail

RETIREMENT IN SIGHT, TWC CHAIRMAN AND CEO GLENN BRITT LOOKS BACK, AHEAD

For all of the high-profile roles he has held, Time Warner Cable chairman and CEO Glenn Britt is known by those close to him as one of the most low-profile guys in the room.

Intense and soft-spoken, yet witty with insiders, he was described by an acquaintance as the "kind of guy who could drive cross country with you and not feel the need to speak."

And yet over his four decades in the cable industry, he has jumped to defend MSOs at the forefront of white-hot controversies such as runaway programming costs, affordable cable packages and retransmission consent.

And now as he prepares to retire from the position he has held since 2001, he finds himself at the center of the M&A spotlight, with rumors swirling about a possible acquisition by Charter Communications.

Britt is one of the few executives in the cable industry who can legitimately be called a pioneer, having spent most of his life deploying the cable industry's advanced digital video, high-speed data and phone services.

Just as cable TV began to reach critical mass in the 1970s, Britt first joined Time Inc. and took on several different posts. He thought there might be potential in American Television and Communications, its cable television unit. In the 1990s, before becoming president of TWC, he oversaw the launch of Road Runner, one of the first high-speed Internet services, as well as TWC telephone service.

More recently, he shepherded TWC's transition to a publicly traded company that has grown from a $6 billion division into a $21.4 billion corporation in a viciously competitive industry. All the while, he's been a relentless champion of diversity both at TWC and around the industry. Britt, 64, weeks ago disclosed he is battling cancer.

He recently spent time with *Multichannel News* editor in chief Mark Robichaux and talked freely on a range of topics that spanned his career, from politicians to programming costs to the possibility of TWC as the prize in a takeover fight. An edited transcript follows.

Glenn Britt will step away from Time Warner Cable next month after more than 40 years with the MSO and its predecessor companies.

Multichannel News: When TWC was first spun from Time Warner Inc., many expected you to go on a buying spree and yet you didn't. Has anything changed? In general, what are your thoughts on consolidation?

Glenn Britt: Not really. I probably said it as well as I could during that earnings call. The gradual consolidation has been going on for decades now. I think if you're a much-smaller company, maybe family-owned, when you decide to sell there is a good possibility that you can sell to a much-larger company and realize more financial benefit than you were getting on your own.

Also, a much-larger company buys at a price that's quite attractive compared to where it trades. And that's just because there are — particularly if the size disparity is enough — lots of economies of scale. But there are only a few companies that are public at this point, they are bigger and the benefits are there, but they're quite finite.

So if you go back 20 or 30 years, it was all about programming, so I think that the companies [that] were about half our size, they probably paid more for programming than we do. So that's a one-time thing. I think one public company usually has less overhead of a certain type than two public companies, so that's pretty finite too. And there are other overhead savings. Those numbers are quite easy to figure out. It doesn't take a rocket scientist.

GARY FABIANO/SIPA PRESS/ABACAUSA.COM

President Obama shakes hands with Glenn Britt at a 2010 White House event announcing the expansion of Obama's "Educate to Innovate" initiative to improve STEM education — also the focus of TWC's "Connect a Million Minds" public-service effort.

The trends, though, seem to be the same no matter what your size is. Compare Comcast's public guidance for their program costs this year — it's not much different than ours.

It's far from apparent that getting bigger has any impact on that. The trend is pretty negative in both cases. So, yeah, there's one-time savings that are finite; everybody knows what they are.

I think the reason you haven't seen more deals is that, of big companies, both sides are sophisticated and they know what those are and you can figure out what the relative value is. Usually, and this is just the world of M&A, whoever buys the other guy pays a control premium on top of that.

And so what we've seen is a standoff, where, at least in our case, the reason we haven't done a lot of purchases is the sellers want the financial benefit of all the synergies, which means they're not that desperate to sell. And again, it's different. If you buy a much smaller company, there's a win-win.

People are looking for win-loses and that is not for making a good deal. I refer back to [the 2000 merger of America Online Inc. and Time Warner Inc.] as examples of win-lose. Believe me, the Time Warner investors were not happy after the AOL-Time Warner deal. And I was one of them. I lost a significant piece of my net worth.

"I think cable as an infrastructure play is going to do fine for a long time. The TV part, clearly that's the challenge you're talking about."

GLENN BRITT, TIME WARNER CABLE

MCN: You haven't been shy about how you feel about the rise in programming costs. If you consider sports costs, retransmission consent and just the organic increases from the cable networks, the wholesale price of programming is rising faster than the resale price.

GB: That's what consolidation doesn't change.

MCN: It seems unsustainable.

GB: Yes. I think it was Herb Stein [economic adviser to Presidents Nixon and Ford] who said, "If something cannot go on forever, it will stop."

MCN: How will cable's programming inflation resolve itself?

GB: I think cable as an infrastructure play is going to do fine for a long time. The TV part, clearly that's the challenge you're talking about.

This all came out of the '92 Act. And the problem that was being dealt with was — which I find ironic — the industry was being very competitive with the broadcast industry to the point where all three broadcast networks changed hands in the late '80s, Ken Auletta's *Three Blind Mice* book. And I find it ironic because today in Washington, I think no matter which party you're in, there is a view that the government should foster new disruptive entrants to any industry.

Now that's cool, and you should make sure the old guys don't sit on the new guys. What was going on early in my career was the complete opposite. There was a view that the old incumbent broadcast industry had to be protected against this new, rapidly-growing cable industry. We were growing because consumers liked what we were doing.

We were the upstart then, and the government was unbelievable. I spent a lot of time trying to fight rules

Glenn Britt and the Time Warner Cable management team rang the opening bell of the New York Stock Exchange in 2007 to celebrate the MSO's spinoff from Time Warner Inc. into a publicly traded, standalone company.

that made no sense that were holding us back. And any old timer will tell you the stories.

So in a way, [the 1992 Cable Act] is a throwback to a different era, and anybody who says anything about it as "free market" is saying that because they happen to find themselves in a good spot. It's an incredibly intrusive law that I think determines the structure of this whole business.

Plus, it's 20 years old. So what happened is that the cable networks, the ownership of them, migrated from the cable companies to the broadcast companies, by and large, not all of them, and we got competition in the video business. This was all the goal of the law, to create competition.

So we have this upside-down thing where, for a given wholesaler, there is relatively little competition. There is only one ESPN. But there's competition in retail, so you have a structure that doesn't work in the consumer interest because prices are still going up faster than inflation, even though we can't raise prices enough to cover the cost, they're still going up faster than inflation.

I've talked about this a lot. We have people at the lower end of the income scale — which unfortunately is more people than we would all like — who can't afford it anymore. And you have the content companies, completely removed from that.

Glenn Britt (second from l.) takes part in a panel of industry CEOs at the 2010 Cable Show in Los Angeles.

If you draw the lines out — and it's true for Comcast as well as us, so size doesn't matter — at some point the lines cross. The costs are going to be bigger than the revenue. I'm going to come back to that because you asked me what's going to happen.

The other thing that's happening, and this always happens in the entertainment business when they have found revenue, for a while it goes to investors, but then the production costs get them — especially the movie part of the business.

And in a way, they piss all the money away. That's starting to happen now. If you look at everybody's recent earnings reports, people are starting to say, "Oh, we have to spend this much more on production; the next quarter is not gonna be so great." So they're starting to take this newfound wealth — actors, directors, sports teams, the whole. We focus on sports, but it's happening across the board in TV.

MCN: How will it end?

GB: I think one of three things is going to happen. And I don't have a crystal ball and I can't tell you when.

One is [that] enough lower-income people will complain or drop out that it becomes an issue, maybe it becomes an economic issue. Another variation of that is it becomes a political issue.

The third variation is that smaller

distributors, and maybe even some bigger ones, start losing money on the retail end of video and they just say, "I'm not going to do it anymore."

As I talk to the content companies, they are in complete denial. They do not believe people are going to get out of selling the television business. So one of those things will happen. Who knows, but I think it's going to play out over the next several years maybe faster than I would have told you a year ago.


Glenn Britt (c.) testified at a 2010 Senate Commerce Committee hearing on retransmission consent alongside then-Univision Communication CEO Joe Uva (l.) and Tom Rutledge, then chief operating officer at Cablevision Systems.

MCN: You think the government steps in?
GB: The way Congress is working now, no.

MCN: Do you think the cable industry moves to a "transport" model where you're simply selling access to the pipe to deliver television?
GB: If you're a retailer, you get out of the business because you're losing money. It's not your problem anymore. I've had this conversation with some of the content guys.

The consumer would pay for the transport — that's over-the-top [video]. But if you're a content guy, the other problem is, the tech industry is not interested in replicating the [pay TV] model over the top. They want to disrupt everything. So they want to go a la carte actually by program, never mind by network. And the problem is that the production economics of television and movies don't support that.


SHAHAR AZRAN/POLARIS
TWC's science advocacy under Glenn Britt included sponsorship of the Intrepid Sea, Air & Space Museum's Space Shuttle pavilion, which he opened with Intrepid president Susan Marenoff-Zausner in 2012.

MCN: TWC and all of the cable industry have suffered varying degrees of video losses. Will the industry ever reverse that trend and add subs?
GB: I don't know. If you take a business where you're the incumbent, and new entrants come in, the incumbent loses subscribers or market share or whatever you want to call it. This has been over a very prolonged period, because first we had [satellite] entry and then we had phone entry. But that's what's happening. And it would be extraordinary for the incumbent to be able to hang on or even gain.

MCN: In the end, Glenn, is there an acceptable loss of subscribers of video for cable?
GB: Well, I don't want to lose any. I don't know how to answer the question. We're trying not to lose any.

I think that if you look at competitive businesses, you basically can compete on product, brand or price. And what you see is this set of industries, which traditionally, I would argue, are not the most sophisticated marketers in the world, trying to find something other than price to compete on.

And the phone guys have been very competitive on price probably for the reasons I spoke of. So particularly with lower-income people, who are very price-sensitive, it's pretty hard to find product features that are going to hold onto that when people are offering really cheap introductory offers.

So, yes, we all have friends who don't watch much TV because they're busy and they watch everything on-demand or they'll all say, "Oh the user interface is really terrible and if that was better I would be more loyal." But right now that's not driving it. And we're all working on cloud-based guides and it's going to be

better. Ours is going to be much better than the current one.

But I'm not convinced that's going to make a huge difference, because the people that are really moving around are the people who are price-shopping. We are all struggling to find product features and a brand identity that will distinguish us separate from just making a cheap price offer.

MCN: Any regrets on the CBS negotiations?

GB: I wish we could have gotten where we got without the whole big public flap.

But having said that, it was worth it. We definitely ended up better off than where we started.

There was a huge amount of misinformation put out there. And I will tell you, we never were attempting to cause CBS not to sell its digital rights. That's totally incorrect and bogus. But the contracts are very complicated. It was as much about contract terms as it was about price, I will tell you that.

There is one thing I want to say about the programming negotiations and relevant to CBS. We are essentially a technology company. This isn't a criticism, it's just the way the world works. The content companies have engineering departments, deep in the organization, and their engineers tend to understand the technology and they tend to understand what we're doing. The people who negotiate are pretty removed from that and there are a whole lot of lawyers involved who were paid to think of all the horrible things that might happen and dream up every bad scenario.

One reason all of these negotiations are so contentious is that there's bad communication there. We found over and over again if we get both sets of engineers in the room, and they talk about this stuff in English in front of the negotiators, the negotiators say, "Oh, now I get it."

But it's that phenomenon of too many lawyers who are dreaming of all the horrible things when they don't really understand what's going on. And that's what's making all these negotiations so hard, as much as anything else.

MCN: Where do you see retransmission-consent negotiations headed?

GB: Retrans is a piece of this bigger structural problem. It was clearly set up by the government. It was created in the '92 Act. And because broadcasting is heavily regulated, we thought quite clearly the FCC had authority to deal with it. We still think that; all of our filings say that.

Obviously through several administrations the FCC has chosen to not adopt that view. I think it goes back to the bigger problem. I think if enough consumers get priced out of the market then they might, but if enough consumers get priced out of the market there's going to be a revenue problem for the content companies, too.

MCN: What about the state of the plant at Time Warner Cable?

GB: Our plant is in great shape. As long as I've been CEO, we've had a very clear capital spending strategy that's different than some other companies have had historically.

But in terms of the physical plant, we have a pretty good idea of what we need to do with it over time and we tend to do that — our capital spending is around the same every year. So other people binge-spend, if I can use that word, and then they spend very little. And then they say, "Aren't we a hero? We're spending very little." If you go back over the past 10 years, you'll see that path.

Investors understand what we're doing but the press doesn't always. And you'll see people saying, "Oh, Time Warner Cable is spending more capital than the other guys, what is wrong with them?" Or, right now we're spending less than some other guys, "what's wrong with them?"

We chose not to go all-digital several years ago and use video switches instead. And we are all-digital in places now. And maybe we could have gone a little faster on that, but that is not affecting our customer base. Going all-digital is something that's done for the cable operator to create bandwidth, it's not for consumers.

Jeff Bewkes (l.), then CEO of Home Box Office; Glenn Britt; and Dick Parsons, then the CEO of Time Warner Inc., at the 2007 "Home of the Future" exhibit at New York's Time Warner Center.

MCN: Some say the industry could have inoculated itself against some of over-the-top rivals if operators and networks moved faster to make it easier for consumers to use TV Everywhere with all their devices. Are you happy with the pace of TV Everywhere uptake by customers?

GB: I'm not even sure what it is anymore. I just think there is no common definition.

Let me define it. I think the idea was to make available in a subscription format programming that was available on all your devices and wherever you might be. That very notion is very consumer-friendly. A subscription is very powerful.

The problem is that the content business, historically, is designed around lawyers chopping up the rates into as many pieces as they can find. So the TV Everywhere notion is directly in conflict with that. I think that's why it's taken so long. It has nothing to do with user interfaces or any of the rest of it.

The technology is easy. Plus there's just in the vertical chain of the entertainment business. There's part of it that we don't see all the time — producers versus

networks, which are as contentious as the relationships we have, people tend to be very distrustful of each other.

It's agent and talent, it's agents and producers, it's producers and studios, it's studios and networks ... because fundamentally, you're negotiating about something that's intangible and you don't know what it's worth until after it's produced, and you're always trying to pre-sell it. Every negotiation is about something that doesn't exist yet, and everybody is trying to get leverage, to get the most economics out of it. That's the entertainment business.

MCN: Welcome to the jungle.
GB: I think that's true. I think video-on-demand would have gone faster except for this phenomenon. I think TV Everywhere is good for the whole ecosystem, by the way, this behavior that's going on, and we're part of it.

MCN: Do you think the cable industry is more balkanized now, with operators having more divergent goals?
GB: Years ago, you had a bunch of companies that were not too different in size. You have a much different industry structure now. Comcast is twice as big as us. We're twice as big as the next company, and that's really disparate.

I don't think there's any way to put that back together again. I really don't. Maybe you create one other big company that's almost as big as Comcast. Then everybody inside that company would cooperate by definition. But boy, that's a lot of transactions and a lot of transaction costs to get to that. And the guys who benefit are the smaller guys, not the bigger. We're doing fine, by the way.

Glenn Britt receives the Walter Kaitz Foundation's 2011 Diversity Champion Award from former ESPN president George Bodenheimer (l.) and Cox Communications president Pat Esser (r.).


Glenn Britt (l.) and Comcast chairman and CEO Brian Roberts answer reporters' questions at the 2006 International Consumer Electronics show in Las Vegas.

MCN: Glenn, you joined Time Inc. in 1972. You've been involved with the cable industry literally all of your career.
GB: What's wrong with me anyway? [Laughter.]

MCN: What are you most proud of?
GB: I've actually made a few speeches on this. When I got in the business, I wasn't sure it was going be a real business. I mean it was a real business in rural America, but it was pretty small and there was this idea to create more choices in entertainment, create more choices in news and discussion, which is important to our society.

And there actually was this idea of doing interactive things, which was around in the industry, it's what became the Internet eventually but the technology was different. The technology didn't actually exist, but the dreams were there.

The idea of paying for TV was pretty wacky in 1972. No attempt to pay for TV ever worked. The idea that you could then finance building another wire for all of America, that was all pretty wacky.

The idea that we had those dreams and that people older than me had 'em — that's an accomplishment for the industry, not just me — it's pretty amazing.

So that dream was always there.

MCN: Time Warner Cable is now a $21 billion dollar enterprise. Did you do what you wanted to do?

GB: Yes. That's almost $22 [billion], I think. And it was only six when I started. Roughly the same size footprint, although the compisition has changed. So yes, it's been a very good run.

When I became CEO, I had a handful of big things that I hoped to do over whatever my tenure was going be. I'm proud to say that I have done those things and I actually don't talk publicly about what they were, so I won't start now. But I think if you look at the company, you'll see the changes.

It's pretty obvious. So I feel good about that. And those are the kind of things that you just work away at and it's not one big event.

I think from talking to [current chief operating officer and Britt successor] Rob [Marcus] that he has already formulated his list. It's not 1 million things, it's three, four or five things. And for me, because I worked long on succession, if at the end of his tenure, however long that is, if he can say that he did the things he set out to do then I will feel I've been a success. So that's my answer to that question.

SYLVAIN GABOURY/PATRICKMCMULLAN.COM/SIPA PRESS

Glenn Britt (l.) and former New York Knicks star John Starks at the 2010 launch party for the MSO's "Signature Home" suite of services.

MCN: Any regrets, looking back?
GB: This is not a big one. Possibly earlier on, I should have started my own cable company but I didn't. Life is good and I'm happy.

MCN: What's your fondest memory?
GB: I don't have one. I think I've just made so many friends and this is an industry with a lot of relationships.

We had a retirement party the other night. People, young people, old people, 220 people or something like that — it was just a great coming together of lots of old friends. It's the relationships with people that matter.

MCN: What are your plans now?
GB: My immediate plan is to deal with my health. I'm on some boards and I'm going to do that and beyond that I'm interested in almost anything.

We have a home in Hawaii so I'll spend probably more time there. But we're going to keep our residence here because we love the city. I'm interested in so many different things and I'm just going to play.

I'm beginning to realize that being responsible for nothing except me and my wife is going to be a liberating kind of experience.

Rescue Formula Clicks For Cable Programmers

VIEWERS RELATE TO TALES OF BUSINESSES ON THE BRINK

BY R. THOMAS UMSTEAD

Business "rescue" reality shows are providing a major ratings makeover for several cable networks.

Shows such as Spike TV's popular *Bar Rescue,* Food Network's *Restaurant Impossible* and Travel Channel's *Hotel Impossible* are drawing viewers with relatable stories of often family-run businesses trying to survive against the odds with the help of charismatic, business-savvy experts.

> **TAKEAWAY**
> Reality shows focused on the "rescue" of failing businesses are earning repeat views from cable audiences.

Given the unstable and uncertain state of today's job marketplace, executives said the business rescue genre is resonating. "There's certainly a wish fulfillment element in these shows: who doesn't want some strong, commanding expert to swoop into your life and make your business, home and family perfect, particularly in environment where jobs are in jeopardy?" Bob Tuschman, general manager and senior vice president of Food Network, said.

Food's *Restaurant Impossible* has been a staple of the network's programming lineup since its 2011 debut.

UNAFRAID TO GUT MENU

The series, in which chef Robert Irvine and his staff are tasked with renovating a failing restaurant, is one of the network's more popular shows, averaging about 17 million viewers per month, according to Food officials.

The key to the show's success is the interaction between the no-nonsense Irvine — who, among other aggressive moves, has unapologetically gutted a restaurant's menu to help improve its fortunes — and restaurant owners desperate to turn their business around but not sure how to go about it, Tuschman said.

John Taffer (r.) provides tough love to tavern owners in Spike TV's reality series *Bar Rescue.*

"There are a lot of elements in telling the story that I think are great drama, but are essential to what our audience likes," Tuschman said. "There are very high stakes. You have a failing business that represents people's livelihoods and dreams, and there's deep drama because the reasons that they are failing are usually rooted in conflicts within families and problems within their own lives."

For such shows to work, viewers have to relate to the often tough-love elements of its hosts and the underdog owners of the flailing business, Spike TV executive vice president of original series Sharon Levy said. That formula has helped make *Bar Rescue* the most-watched show on the network.

The third season of the show, in which bar and nightlife expert John Taffer helps failing establishments transform themselves into profitable businesses, is averaging a network high 2 million viewers per episode.

"It works because for people it's completely relatable — bars are where we go to socialize, to meet other people, to talk about our problems and connect with one another," Levy said. "We also relate to all the complexities in the relationship between John Taffer and the business owners."

But while Food and Spike have found success in the genre, not all networks have been able to cash in on its popularity. National Geographic Channel last month pulled *Church Rescue* after only two episodes due to poor ratings.

Levy said it's a balancing act to find both a strong leads and compelling business storylines. "The reason a rescue genre show works is that is that the audience is relating to the people that are struggling on camera," she said. "They think our talent cares so much about helping them help themselves that it's really fun to watch."

Spike has already turned up the volume on the genre, launching this past summer *Tattoo Rescue,* which follows tattoo expert Joey Germinario and his team as they transform failing tattoo ventures. The series generated 750,000 in its freshman run, according to Spike.

RESCUE EXTENSIONS

Spike TV also is going to going to give the rescue formula a working by focusing on struggling gyms. *Gym Rescue,* staring mixed martial arts fighters Frank Shamrock and Randy Couture, will debut next spring, according to Levy. Also in that time frame, Spike TV will debut Hungry Investors, in which *Bar Rescue*'s Tapper, celebrity chef John Besh and *Top Chef*'s Tiffany Derry have to choose between two restaurants known for offering the same cuisine to determine which one gets investment money.

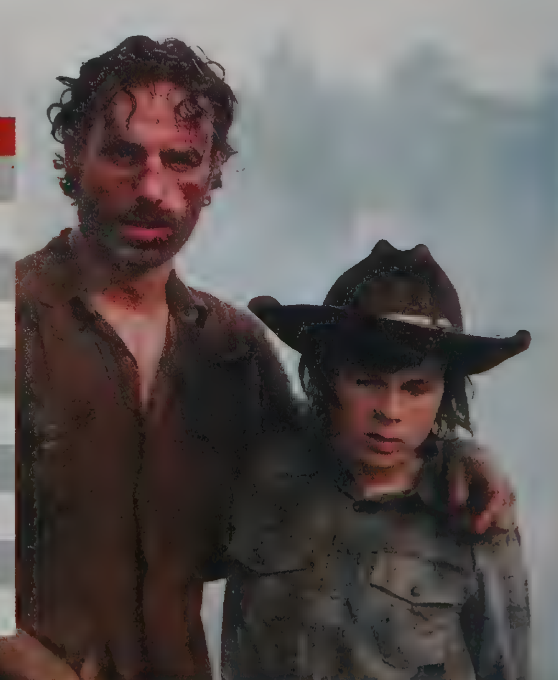
Food will also remain hungry for the genre with the March 2014 launch of *Save My Bakery,* featuring cake maestro Kerry Vincent. The series pilot aired both on Food Network and on sister service Cooking Channel. The network will continue to look for other genre-specific content that appeal to the network's viewers, Tuschman said.

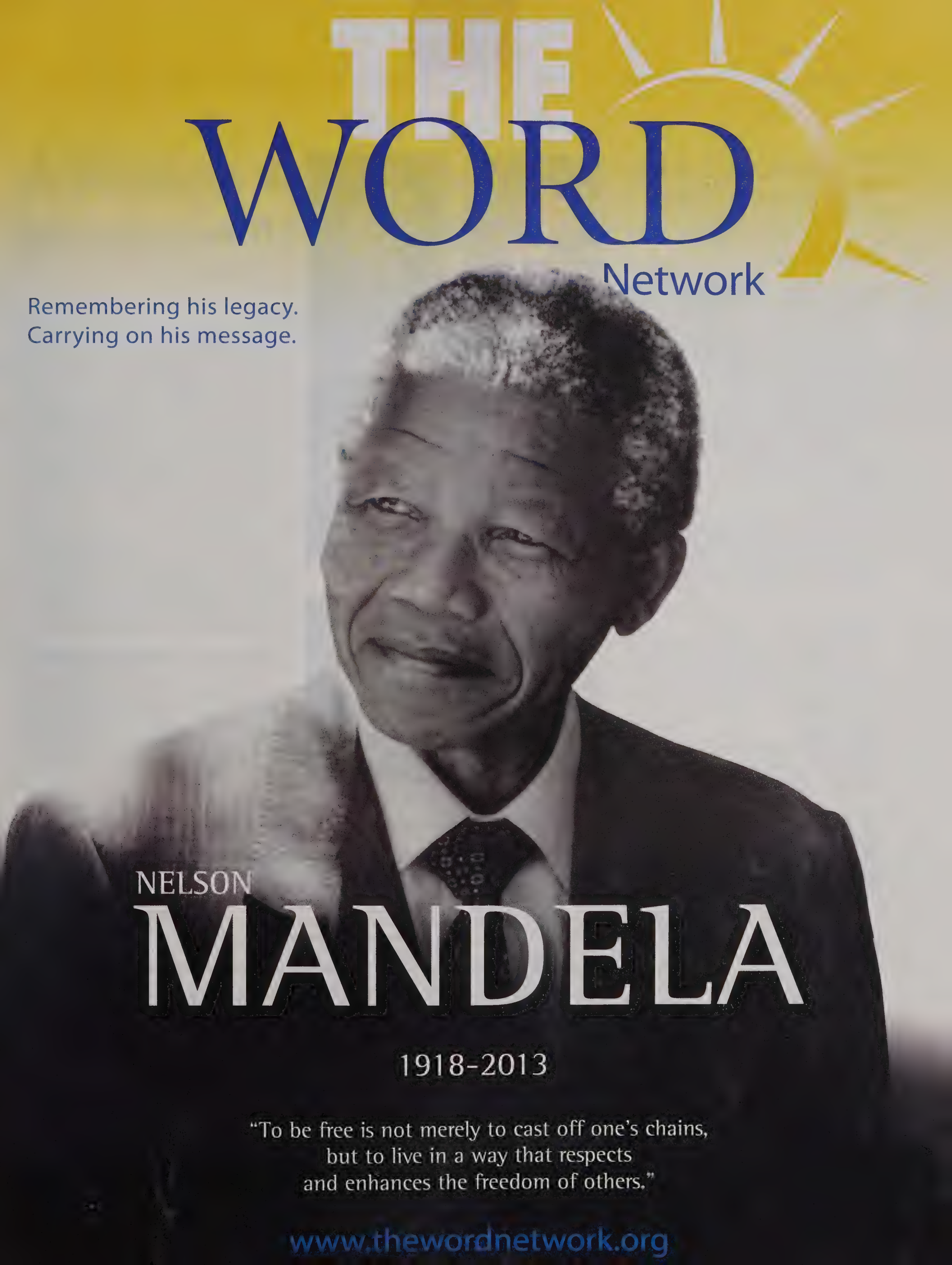
"You have to have a host that your viewers find credible, compelling and dramatic but I also think you need to find the real people who are sympathetic and who you are rooting for," he said. "You also get a lot of insider info through failing business about how a business should be run. Add it all up, and you have a compelling hour that is based in reality."

Cable's Top 10 for 2013

Scripted shows, led by AMC's *The Walking Dead* (pictured), dominated the 10 most-watched original series or miniseries on cable this year.

PROGRAM	SERIES TYPE	NETWORK	TOTAL VIEWERS
The Walking Dead	Scripted drama	AMC	16.1 Million
Duck Dynasty	Reality	A&E	13.3 million
The Bible	Scripted miniseries	History	13.1 million
Breaking Bad	Scripted drama	AMC	8.4 million
Rizzoli & Isles	Scripted drama	TNT	8.3 million
Sons Of Anarchy	Scripted drama	FX	7.0 million
Major Crimes	Scripted drama	TNT	6.4 million
Longmire	Scripted drama	A&E	5.9 million
American Horror Story	Scripted miniseries	FX	5.9 million
Vikings	Scripted drama	History	5.9 million

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but to live in a way that respects
and enhances the freedom of others."
www.thewordnetwork.org

ADARA

Cloud-delivered video solutions provider Adara Technologies has named **Mark Guerrazzi** as vice president, sales and business development. He comes from Cisco Systems, where he was manager of business development within the Connected Device Business Entity.

A+E NETWORKS

Henry S. Hoberman was named executive vice president, general counsel, at A+E Networks. He comes from the Motion Picture Association of America, where he was senior executive vice president, global general counsel and secretary.

> **DID YOU KNOW?**
> At the MPAA, Henry Hoberman was responsible for running three divisions worldwide: Legal, Content Protection and Rights Management.

Also, **Douglas P. Jacobs** advanced to executive vice president, senior counsel, a new post. He had been executive VP, general counsel.

CBS SPORTS

Jennifer Sabatelle was upped to senior vice president, communications, at CBS Sports, responsible for the broadcast division and CBS Sports Network. She had been VP, communications at CBS Sports.

COMCAST

Denver-based Comcast Wholesale has named **Todd Porch** as vice president, general manager of its AdDelivery service. He comes from Yahoo!, where he was executive director of the advertising operations and cloud management unit.

NBCUNIVERSAL

Bear Fisher has joined the NBCUniversal Television & New Media Distribution and NBCUniversal Domestic Television Distribution units as senior vice president, marketing and brand strategy. She had been senior VP, brand strategy, and creative director at the Style Network.

GUERRAZZI Adara

HOBERMAN A+E Networks

PORCH Comcast

FISHER NBCUniversal

BRIST Outdoor Channel

LEE Time Warner Cable

OUTDOOR

Outdoor Channel has elevated **Jason Brist** to executive vice president, advertising sales, based in Chicago. He had formerly served as senior VP, media sales.

PIVOT

Participant Media-owned millenials network Pivot has tapped **Jennie Morris** as senior vice president, acquisitions and operations. She comes from AMC/Sundance Channel Global, where she was VP, affiliate marketing.

Also, **Jerry Blake** was named senior vice president, business and legal affairs at Pivot. He comes from BBC Worldwide Americas, where he handled U.S. Distribution for BBC America and BBC World News, as well as digital distribution of the BBC's programming in North America.

SNI

Scripps Networks Interactive's Home Category has added **Carrie Regan** as director, programming and development, based in Knoxville, Tenn. She had previously served a freelance development consultant for such clients as Scripps, Discovery Studios, National Geographic Television and Outside Television.

TIME WARNER CABLE

Christian Lee was named senior vice president, mergers and acquisition at Time Warner Cable, succeeding the retiring **Satish Adige**. He had been VP, investments at the MSO.

> **DID YOU KNOW?**
> Christian Lee worked on such transactions as Time Warner Cable's 2006 spinoff from Time Warner Inc. and its acquistions of Adelphia and Insight.

SUBMISSIONS: Send people and calendar items to Michael Demenchuk, *Multichannel News*, 28 E. 28th Street, 12th Floor, New York, N.Y. 10016 or via email to MCNPeople@nbmedia.com.

CALENDAR

JAN. 7-10, 2014

Consumer Electronics Association, 2014 International CES, Las Vegas Convention Center, 3150 Paradise Rd., Las Vegas. Visit: *cesweb.com*.

FEB. 4

Multichannel News/Broadcasting & Cable, 2014 Multicultural TV Summit & Leadership Awards, 8 a.m.-2:30 p.m., Grand Hyatt, 109 E. 42nd St., New York. Contact: Jennifer Ware, (917) 281-4718, jware@nbmedia.com or visit *www.multiculturaltvsummit.com*.

FEB. 17-18

Krewe of Louisiana Cable Show, Hotel Monteleone, 214 Royal St., New Orleans. Contact: (225) 387-5960.

FEB. 24-25

North Central Cable Show, Crowne Plaza St. Paul Riverfront, 11 Kellogg Boulevard E., St. Paul, Minn. Contact: (651) 641-0268 or NCShow@comcast.net.

FEB. 27

Multichannel News and *Broadcasting & Cable*, Advanced Advertising, Grand Hyatt, 109 E. 42nd St., New York. Contact: Rebecca Shottland, (917) 281-4782 or rshottland@nbmedia.com.

MARCH 12-14, 2014

2014 Cable Congress, RAI, Amsterdam. For more information, visit: cablecongress.com.

MARCH 18-19

Multichannel News/Broadcasting & Cable, Next TV Summit, Grand Hyatt New York Hotel,109 E. 42nd St., New York. Contact: Rebecca Shottland, (917) 281-4782 or rshottland@nbmedia.com.

MARCH 26

Multichannel News and New York WICT, 2014 Wonder Women Luncheon, Hilton New York, 1335 Ave. of the Americas, New York. Contact: Rebecca Shottland, (917) 281-4782 or rshottland@nbmedia.com.

MARCH 26

T. Howard Foundation, Diversity Awards Dinner, Cipriani Wall Street, New York. Contact: (301) 588-6767 or inquiry@thoward.org.

For more Multichannel News events, visit multichannel.com/events.

Arguments Against Retrans Muscle Gain Momentum

POLICYMAKERS LOOK HARD AT SHARED-SERVICE DEALS

BY JOHN EGGERTON

WASHINGTON — Cable operators, led by the American Cable Association, continue to get some love from Washington in their efforts to block or condition station-group transactions with side deals involving shared sales, programming or management.

The Federal Communications Commission has told Sinclair Broadcast Group it must either amend a deal to buy Allbritton Communications TV stations, or drop a request to buy stations in three markets — Charleston, S.C., Birmingham, Ala., and Harrisburg, Pa. — that involve grandfathered local-marketing agreements that would violate its local-ownership rules now that those stations are changing hands.

TAKEAWAY

Washington policymakers are taking a hard look at TV-station sales that include side deals involving shared services and their impact on retransmission consent.

The notice came in a letter to Sinclair from the agency's Media Bureau.

STRINGS ATTACHED

As part of the deal to buy all of the Allbritton stations, Sinclair will spin off stations in the three markets to a third party. Sinclair was planning to provide support services to the stations after the sale, including acting as their agent in retransmission talks, according to the ACA, the trade group representing smaller, independent cable systems.

The bureau also said Sinclair needed to provide more information on those agreements, and to explain why not providing that data in the first place squared with a responsibility to "provide all information necessary to allow for meaningful review of the application in question."

The ACA, among others, has asked the FCC to block such spinoff deals, saying they are a way to skirt its local-ownership rules and coordinate retransmission negotiations, raising prices to cable operators and, ultimately, consumers. A Sinclair spokesperson had not returned a request for comment at press time.

"This level of inspection is appropriate and necessary."

MATT POLKA, ACA

"ACA is pleased that the FCC's Media Bureau is closely scrutinizing the Sinclair-Allbritton deal," ACA President Matt Polka said following the FCC letter. "This level of inspection is appropriate and necessary, given the issues identified by the bureau and because the deal would permit Sinclair to increase its already prodigious market power over retransmission consent in two local TV markets through coordination agreements with stations owned separately in name only."

ROCKEFELLER'S POINT

Sinclair did not seem particularly concerned. "That the FCC has raised certain questions about the transaction is normal course in transactions of this type and we expect to be able to address the FCC's concerns without any material impact on the transaction," it said.

In July, Sinclair said it had struck a $985 million deal with Allbritton for seven ABC affiliates, covering 4.9% of the U.S. TV households, and NewsChannel 8, a 24-hour cable-news network covering the Washington, D.C., metropolitan area.

Sen. Jay Rockefeller (D-W. Va.) has asked the FCC to hold off on decisions on the Sinclair and other deals involving sharing agreement spinoffs until the GAO can study the issue.

NCTA Videos Warn Against Landing In 'Sheet Hole'

WASHINGTON — The Hole Saga, the National Cable & Telecommunications Association's new online cable promotion campaign, had generated 7,666 YouTube views at press time.

The campaign consists of a video sending a message to would-be cord cutters or broadcast-only households that "life without cable leaves a mighty big hole" in people's lives — in this case, literally.

The campaign definitely has an online edge. For example, "Sheet Hole" (pictured) is the title for the scenario where a vacationer winds up in a fleabag motel because she did not have access to the cable broadband service that would have revealed a "no star" rating.

Click through to the four scenarios, involving a bicyclist, skin diver, vacationer and back-woods camper—as well as supporting roles for killer bunnies, sharks and alien busboys — at **multichannel.com/Dec16**.

— John Eggerton

Cable Operators Pan FCC Data Drops

BY JOHN EGGERTON

WASHINGTON — Cable operators are concerned about the security of their data, but it isn't hackers or organized criminals or foreign elements that are raising alarm bells — it's the Federal Communications Commission.

The National Cable & Telecommunications Association last week petitioned the full commission to reconsider the Wireline Bureau's special access data-collection order. It had told the FCC that the bureau was wrong in not amending that order and that it wants it to reduce the paperwork burden and insure the security of sensitive information submitted.

MEASURING BURDEN

The bureau last week submitted the order to the Office of Management & Budget, which will review the rules to ensure they do not represent a new, undue paperwork burden on industry.

The NCTA will have another opportunity to label the rules such a burden, because the order can't go into effect nor can the data collection begin until the OMB signs off. Comments are due next month.

The FCC put out a rule that everybody hates, that requires a lot of reporting and isn't really solving the problem, one cable attorney said, asking not to be named. He said the industry will continue to fight it.

"In 2012, the commission both suspended its old pricing flexibility triggers and authorized a highly detailed, extremely onerous data collection that it views as a prerequisite to adopting new triggers," the NCTA said last week in seeking full-commission review. "However well-intentioned, this combination of decisions has left the commission completely adrift, with no meaningful ability to regulate or deregulate."

In a 3-2 party line vote in August 2012, the FCC suspended its benchmarks for deregulating the rates of special-access services while it better determines where there is competition for that service.

In December 2012, the commission launched the new data-collection effort.

SPECIAL CIRCUMSTANCES

Under FCC rules, telcos are required to lease special-access lines to such competitors as cable operators. But the FCC deregulated AT&T and others' special access lines in 2009 in cases where competitive triggers are met.

Those lines are the "last mile" dedicated broadband lines to businesses, dominated by incumbent local-exchange carriers such as AT&T.

The commission more than a dozen years ago removed "dominant pricing" regulations, while continuing to regulate interconnection and reasonable pricing per its Title II common carrier regulation of independent local-exchange carriers (ILECs).

Ever since, public-interest groups have pressured the FCC to re-regulate special access.

EVENT	DATE	LOCATION
SEPTEMBER		
The Business of Live Television	September (TBD)	NYC
Next TV Summit	September (TBD)	San Francisco
OCTOBER		
Hispanic TV Summit	October 2	NYC
News Technology Summit	October 7-9	TBD
B&C Hall of Fame	October 20	NYC
NYC Television Week	October 20-25	NYC
NOVEMBER		
Advanced Advertising	November (TBD)	NYC
Next TV Awards and Next TV International (In the U.S.)	November (TBD)	TBD
DECEMBER		
The Business of Multiplatform TV	December (TBD)	NYC

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The Weather Channel chairman and CEO **David Kenny** (c.) and president **David Clark** (r.) welcome new anchor and managing editor **Sam Champion** to the network's Atlanta studios.

Cablevision CEO **James Dolan** (r.) and his band shared the stage with **Andrew** (l.) and **Jessica Lustgarten**, children of the late Cablevision executive **Mark Lustgarten**, at the Lustgarten Foundation's 13th annual Holiday Rock 'N' Roll Bash pancreatic cancer benefit in New York.

AVI GERVNER

ERIC CHARBONNEAU/SHOWTIME

At Showtime's Holiday Soiree (l. to r.): **David Nevins**, president of entertainment, and *Homeland's* **Alex Gansa**, **Morgan Saylor** and **Morena Baccarin**.

ERIC CHARBONNEAU/SHOWTIME

Showtime Networks chairman and CEO **Matt Blank** (l.) and *Ray Donovan's* **Jon Voight** at the Showtime Holiday Soiree in Beverly Hills, Calif.

Alliance for Women in Media and Walter Kaitz Foundation staffers met in Washington, D.C, to discuss 2014 diversity objectives (l. to r.): **Sylvia Strobal**, interim CEO, AWM; **Michelle Ray**, senior director, programs and strategic initiatives, Kaitz; **Trish Smith**, SVP, fundraising and partnerships, AWM; and **Erin Fuller**, Coulter Non-Profit Management.

freeze frame

A+E Networks chairman **Abbe Raven** (l.), **Emile Hirsch** and **Holliday Grainger** at the New York premiere of Lifetime/A&E/Bio telefilm *Bonnie & Clyde*.

STEPHEN LOVEKIN

Geetanjali Dhillon (l.), VP, marketing and digital, Cine Sony Television; **Rubén Mendiola**, VP and GM, multicultural services, Comcast; and **Superna Kalle**, GM, and **Ron Garfield**, SVP of distribution, Cine Sony Television; at the Xfinity & Cine Sony partnership launch event in Miami.

E.M. PIO DE RODA/TCM

At a New York screening of holiday classic *Miracle on 34th Street* (l. to r.): **Robert Osborne**, host, Turner Classic Movies; **Amy Kule**, executive producer, Macy's Thanksgiving Day Parade; and **Dennis Adamovich** and **Rob Collins**, Turner Entertainment Networks.

Univision anchor and author **Teresa Rodriguez** (l.) with **Kathleen Finch**, president of Scripps Networks Interactive Home Category, at the New York Moves Power Women Awards ceremony, where Finch was honored as a "Power Woman."

At Men Against Breast Cancer's "Think Pink & Blue" event in Washington, D.C. (l. to r.): **Noah Kodeck**, Comcast; **Elena Russo**, *Comcast Newsmakers* host; **Mark Heyison**, president and founder, MABC; **Erin Pinckney**, Comcast Spotlight; and **Jim Gordon**, Time Warner Cable.

SUBMISSIONS: Send your most recent press photos, with an ID, contact name and telephone number, to: **Michael Demenchuk, *Multichannel News***, 28 E. 28th Street, 12th Floor, New York, N.Y. 10016. Send electronic images (4" X 6" at 300 dpi) via e-mail to: **mcnart@nbmedia.com**

TWC, Charter Chiefs Are Focused on Fundamentals

CARRYING ON, WITH OR WITHOUT A MERGER

BY MIKE FARRELL

NEW YORK — While merger speculation and consolidation chatter continues to swirl around them, Time Warner Cable chief operating officer Rob Marcus and Charter Communications CEO Tom Rutledge want to assure investors their companies are prepared to improve separately, if not together.

"[We're] completely focused on running Time Warner Cable for the long haul."

ROB MARCUS, TIME WARNER CABLE

TWC's Marcus, set to take over for retiring chairman and CEO Glenn Britt next month, was the first out of the gate, kicking off the cable operator portion of the UBS Global Media & Communications conference Dec. 9 here by downplaying merger talk.

Marcus reiterated TWC's commitment to increasing shareholder value, adding that management is "completely focused on running Time Warner Cable for the long haul." He pointed to a recent hire to back that assertion up.

RECENT TRAVAILS

Aside from the pressure of merger speculation — Charter reportedly began making overtures to TWC in June and is said to have lined up at least $25 billion in bank financing for a bid — Time Warner Cable has been plagued with poor operating results. In the third quarter, largely because of a month-long retransmission-consent dispute with CBS, the cable operator shed 306,000 residential video subscribers in the period. It was one of TWC's worst quarters ever.

Since releasing those results, TWC has hired former Insight Communications chief operating officer Dinni Jain to assume those duties with TWC in January. Jain, a 20-year cable veteran, has a reputation for turning cable systems around. When he was at Insight, the small-market MSO had five straight years of video-customer growth. He recently signed a three-year employment deal with the TWC that will bring him at least $7.5 million annually in total compensation.

"The guy knows how to run cable systems," Marcus said of Jain at the UBS conference.

Improving TWC's operations will rely on bettering network reliability, improving packaging and pricing for its products and improving customer service, Marcus said. All three initiatives are underway, he said.

Marcus had previously talked about the company's all-digital initiatives and plans to aggressively market high-speed Internet service to digital subscriber line customers. Last week, he also unveiled plans to significantly increase TWC's video-on-demand offerings, eventually increasing the number of programming hours from about 5,000 hours to roughly 75,000.

TWC also is accelerating deployment of its first generation user interface, currently in about 1.4 million homes, Marcus added.

Its next generation UI, which will require new set-top boxes featuring a six-tuner gateway with 1 terabyte of storage (enough for 150 hours of HD video) that can feed content over the home network to a new type of Internet-protocol set-top client, is set for rollout in 2014.

"Charter's biggest opportunity is to grow its market share."

TOM RUTLEDGE, CHARTER

Rutledge also plans to drive video growth with better technology, products and service. Later at the UBS conference he said the hope is that Charter will eventually be able to reverse the trend of video-customer losses. Charter is already growing video subscribers in markets where it has upgraded its plant to all-digital, he said.

Rutledge said the Charter strategy is simple — offer a high-quality product and service so that when a customer must pay more after a promotional period ends, they believe it is worth it. "Cheap and not very good don't have any step-up power," Rutledge said.

CUSTOMER SERVICE KEY

Charter is concentrating on some of the same aspects of the business as TWC. It's focusing on improving customer service, which Rutledge believes is the lynchpin, as well as plant upgrades and new packaging and pricing.

On the guide issue, however Charter is taking a different tack , focusing on a product that can be used in existing boxes. And the company has avoided offering lower cost high-speed data packages — its lowest tier is now 30 Megabits per second — in the hopes that customers will see the value in the product as they are able to do more things with it.

"Charter's biggest opportunity is to grow its market share," Rutledge said. "I am not particularly interested in raising prices; I'm interested in growing our business."

MCNBRIEFS

CableOne's McKenna to Retire

Jerry McKenna

PHOENIX, Ariz. — Longtime Cable One senior vice president and chief sales and marketing officer Jerry McKenna will retire at the end of the year.

McKenna, one of the most well-liked and respected executives in the cable industry, has spent about 19 years at Cable One, the Phoenix-based cable operator with about 700,000 customers. No replacement has been selected as yet.

McKenna joined Cable One in 1994 as vice president of strategic marketing. For the past five years, he has been responsible for marketing strategy and all sales activity throughout Cable One, as well as negotiating and managing programming contracts.

Prior to joining Cable One, McKenna was with RJR Nabisco for 18 years, where he served in several senior marketing positions.

Simulmedia Closes $25M Round

SIMULMEDIA people ads want

NEW YORK — Targeted television advertising company Simulmedia last week said it has completed a $25 million Series D round of finding led by a new investor — Valiant Capital — and R&R Venture Partners, a new fund created by former Time Warner Inc. chairman Richard Parsons and Ronald Lauder.

Existing investors are Avalon Ventures, Union Square Ventures, Time Warner Investments and Allen & Co. The latest round brings the total raised by Simulmedia to nearly $59 million since launch in 2009.

The company operates the Simulmedia Audience Network, described as the first data-driven audience network for television.

Bonten Goes Dark on Dish

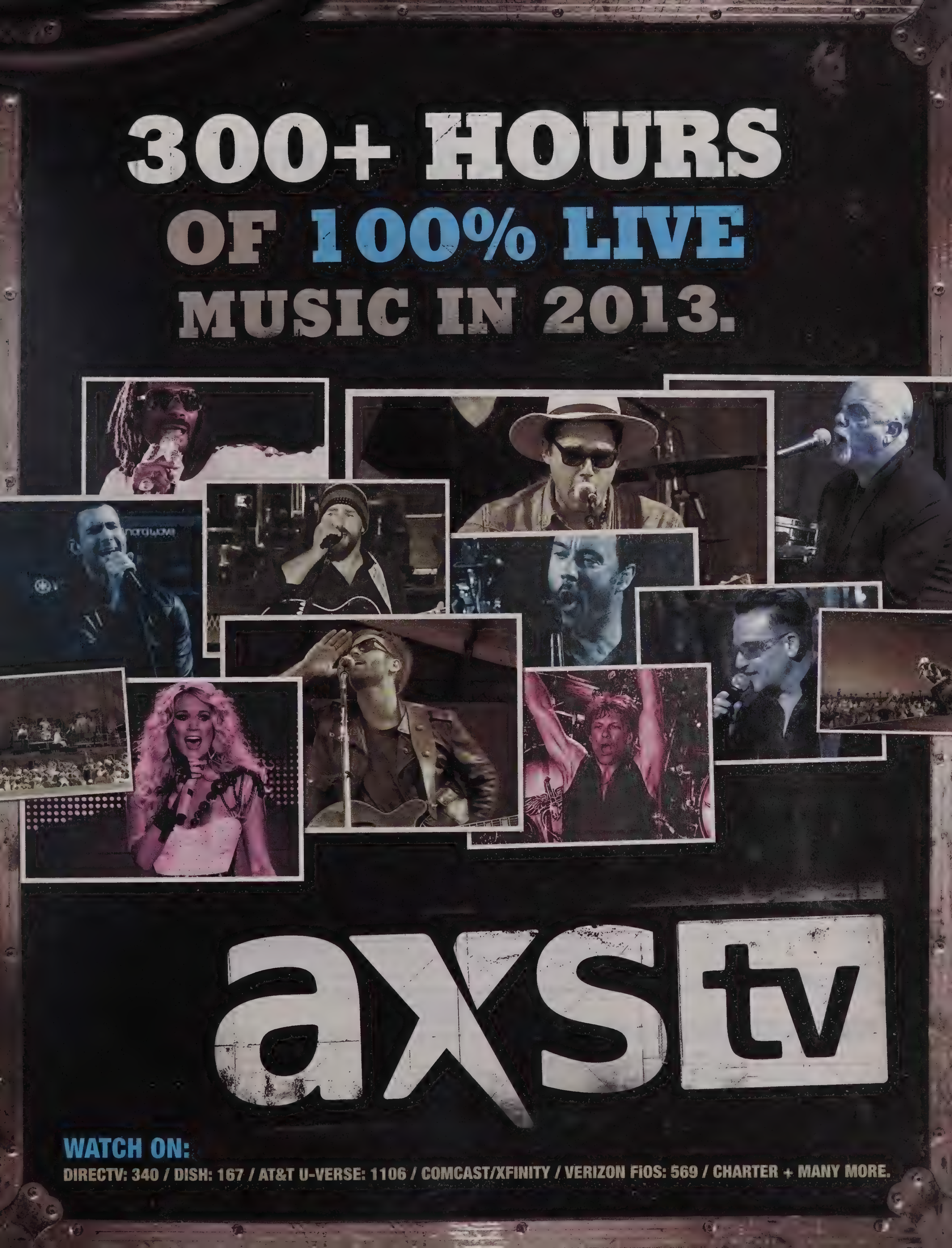
dish

NEW YORK — Station signals from Bonten Media stations went dark for Dish Network subscribers in several markets in California, Montana, Texas, North Carolina, Tennessee and Virginia after the parties could not reach a retransmission-consent agreement.

Dish customers lost access to KTXS (ABC) Abilene, Texas; KRCR (ABC) in Chico/Redding Calif.; KECI (NBC) in Missoula, Mont.; WCTI-WFXI (ABC) in Greenville, N.C.; and WCYB-WEMT (NBC) in the Tri-Cities area of Tennessee and Virginia on Dec. 8.

Dish claims Bonten and operating agreement partner Esteem Broadcasting "continue to demand a 300% rate increase," and turned down a short-term contract extension that would keep the channels on as the parties negotiate.

— Mike Farrell



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Multichannel News Index (MNI) 931.30

-0.69% -6.43 (WEEKLY)

MSOs

	Price 12/11	Price 12/4	Weekly % Change	Month Ago	Year Ago	52-Week High	52-Week Low
Cablevision	16.22	16.29	-0.43%	15.35	14.27	20.16	13.62
Charter	130.82	129.43	1.07%	127.04	69.59	144.02	68.44
Comcast	47.12	47.23	-0.23%	46.27	36.23	48.78	34.95
Comcast (special)	48.66	48.88	-0.45%	47.35	37.40	50.75	36.30
Liberty Global (H)	84.67	83.67	1.20%	79.48	60.60	86.82	68.83
Rogers	45.01	44.19	1.86%	44.62	45.34	51.98	38.32
Shaw	23.52	23.16	1.55%	23.39	22.43	25.46	21.32
Time Warner Cable	131.50	132.20	-0.53%	119.14	93.98	139.85	84.57
TOTAL	1,882.23	1,884.63	-0.13%	1,813.92	1,466.62	1,998.13	1,438.66

PROGRAMMERS

	Price 12/11	Price 12/4	Weekly % Change	Month Ago	Year Ago	52-Week High	52-Week Low
AMC Networks	64.98	64.32	1.03%	66.21	52.76	73.39	48.41
CBS	58.44	58.09	0.60%	58.86	35.84	61.08	34.72
Crown Media Holdings (H)	3.34	3.29	1.52%	3.19	1.88	3.41	1.66
Discovery Communications	84.53	84.18	0.42%	84.59	61.51	89.58	59.99
Disney	70.52	69.97	0.79%	68.34	49.48	72.13	48.55
HSN	59.75	58.14	2.77%	56.32	53.19	65.00	49.14
Liberty Interactive	27.22	27.72	-1.80%	27.82	18.95	28.65	18.83
Liberty Media	147.81	149.29	-0.99%	148.50	N/A	159.33	101.00
Madison Square Garden	55.16	55.73	-1.02%	56.26	44.28	63.44	43.36
Scripps Networks Interactive	81.00	72.66	11.48%	75.71	58.99	85.73	55.88
Starz	27.43	28.06	-2.25%	27.95	12.35	30.72	12.13
Time Warner Inc.	66.42	65.44	1.50%	67.50	47.13	70.77	46.48
21st Century Fox	32.69	32.91	-0.67%	33.46	24.93	35.44	21.50
ValueVision Media (H)	6.22	6.41	-2.96%	5.30	1.73	6.59	1.62
Viacom	81.03	81.53	-0.61%	82.36	54.54	86.06	51.67
World Wrestling Entertainment	14.17	14.36	-1.32%	13.13	8.13	15.47	14.04
TOTAL	1,390.68	1,381.25	0.68%	1,386.58	1,088.59	1,460.48	1,066.48

EQUIPMENT VENDORS

	Price 12/11	Price 12/4	Weekly % Change	Month Ago	Year Ago	52-Week High	52-Week Low
Arris Group (H)	21.51	20.80	3.41%	17.21	14.53	22.33	14.07
Broadcom	28.68	26.87	6.74%	26.57	34.42	37.85	23.25
Cisco Systems	20.88	21.25	-1.74%	23.45	19.78	26.49	19.31
Concurrent	7.72	7.53	2.52%	7.36	5.25	8.95	5.09
EchoStar	48.72	49.74	-2.05%	47.19	33.47	51.60	32.55
Entropic	4.77	4.79	-0.42%	4.52	5.32	5.82	3.57
Harmonic	6.96	7.31	-4.79%	7.34	4.85	8.25	4.62
Intel	24.42	23.74	2.86%	24.17	20.65	25.98	20.10
LM Ericsson Telephone	11.90	12.33	-3.49%	12.15	9.81	14.22	11.81
Microsoft (H)	37.61	38.94	-3.42%	37.59	27.32	38.98	26.28
Rentrak	35.29	36.95	-4.49%	39.89	19.17	40.79	18.51
Rovi	17.68	18.39	-3.86%	16.70	16.28	26.55	15.01
SeaChange	11.11	14.60	-23.90%	13.39	10.00	15.25	11.05
Technicolor	4.86	4.76	2.10%	5.15	2.37	5.66	2.44
TiVo	12.38	12.66	-2.21%	13.59	12.40	14.25	10.47
TOTAL	1,284.56	1,306.63	-1.69%	1,310.20	1,038.56	1,328.98	1,011.22

TELCOS

	Price 12/11	Price 12/4	Weekly % Change	Month Ago	Year Ago	52-Week High	52-Week Low
AT&T	33.95	34.60	-1.88%	35.03	34.15	39.00	32.76
Sprint Nextel	8.11	7.95	2.01%	6.98	5.57	8.75	5.15
Verizon	48.49	49.37	-1.78%	49.96	44.44	54.31	41.50
TOTAL	630.78	642.58	-1.84%	650.44	609.95	711.08	581.82

SATELLITE TV

	Price 12/11	Price 12/4	Weekly % Change	Month Ago	Year Ago	52-Week High	52-Week Low
DirecTV Group (H)	66.92	65.75	1.78%	64.17	50.29	68.43	47.71
Dish Network (H)	53.76	53.56	0.37%	47.50	37.02	55.37	33.79
TOTAL	1,806.79	1,781.44	1.42%	1,697.51	2,080.16	2,149.87	1,238.16

SOURCE: Financial Content **NOTE:** The Multichannel Multimedia Index measures the combined prices of stocks listed on this page, weighted by market capitalization. S&P tracks the Standard & Poor's 500 stock index.

TOP 5 PERCENTAGE GAINERS:

Scripps Networks Interactive (H)	11.48%
Broadcom	6.74%
Arris (H)	3.41%
Intel	2.86%
HSN	2.77%

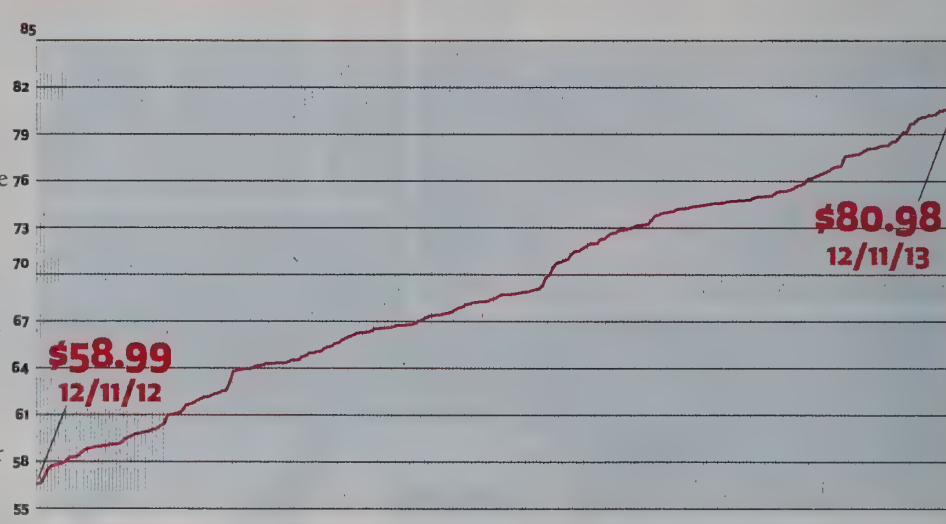
TOP 5 PERCENTAGE LOSERS:

SeaChange	-23.90%
Harmonic	-4.79%
Rentrak	-4.49%
Rovi	-3.86%
LM Ericsson Telephone	-3.49%

SCRIPPS NETWORKS INTERACTIVE (NYSE-SNI)

SNI stock rose more than 11% last week after a report said that Discovery Communications was mulling whether to try to acquire the Food Network and HGTV parent. While there has been no indication that Discovery will actually make a play, the consolidation frenzy that has swept the distribution business seems to be blowing through the content sector as well. Stockholders should be pleased: SNI shares were up about 30% for the year before the news broke.

SOURCE: NASDAQ website



MARKET INDEX COMPARISON

	Price 12/11	Price 12/4	% Week	Month Ago	Year Ago
MNI	931.30	939.88	-0.91%	937.19	780.15
S&P 500	1,782.22	1,792.81	-0.59%	1,771.89	1,427.84
DJIA	15,843.53	15,889.77	-0.29%	15,783.10	13,248.44
NASDAQ	4,003.81	4,038.00	-0.85%	3,919.79	3,022.30

TIP SHEET

AFFILIATE FEES STEADY AT ESPN

Morgan Stanley media analyst Ben Swinburne raised his stock-price target on The Walt Disney Co. to $74 last week, but kept his equal-weight rating on the stock largely because the rate cycle for its ESPN sports programming juggernaut has played out. In a note to clients, Swinburne said because most of ESPN's renewal deals are complete, there is little upside to its affiliate-fee revenue growth, which he expects to remain steady at 8% to 9%.

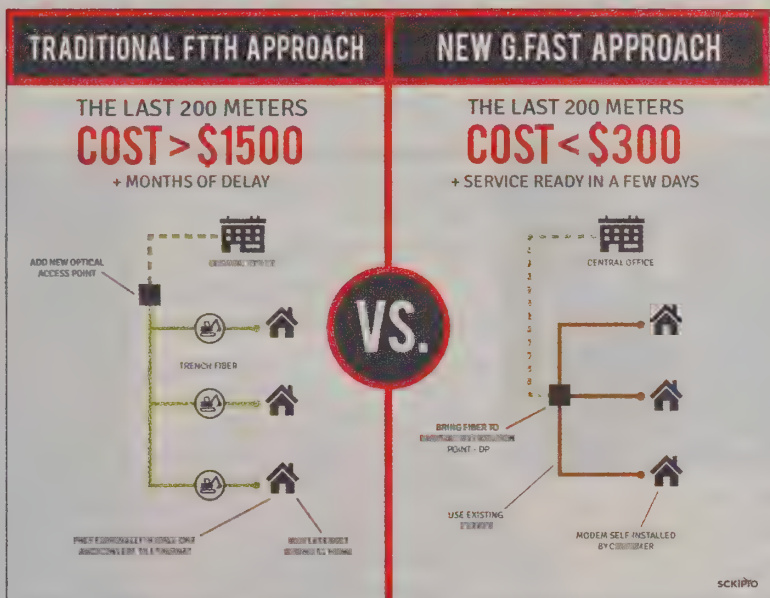
PAY TV SUBS SOAR SOUTH OF BORDER

Sanford Bernstein media analyst Todd Juenger estimated that pay TV subscribers will rise at a high single-digit annual rate in Mexico for the next five years. In a report last week, Juenger noted that the strong Mexican economy — 6% compound annual growth rate (CAGR) in GDP per capita since 2006 — has created an emerging middle class hungry for entertainment. Among U.S. media groups, Juenger says Time Warner Inc. and Twenty-First Century Fox have dominant current positions.

G.fast Advances DSL Toward 1-Gigabit

ITU OKs SPEC BRINGING FIBER-LIKE SPEEDS TO COPPER

BY JEFF BAUMGARTNER



This diagram from Sckipio compares the deployment costs of fiber-to-the-home and G.fast technologies.

Copper-fed digital subscriber lines could soon get a much-needed speed boost, giving telcos around the world a new way to deliver fiber-like speeds without the hassle and expense of deploying fiber all the way to the home.

That technology is embedded in a budding standard called G.fast, which was granted "first-stage approval" last week by the International Telecommunications Union. The ITU expects to finalize G.fast "as early as April 2014."

Despite being short of finalization, the first-stage stamp on the standard should give chipmakers, modem vendors and network gear suppliers the technical path necessary to develop G.fast products.

FLEXIBLE APPROACH

The aim is to present telcos with a platform designed to deliver aggregate capacity of 1 Gigabit per second that can be flexibly allocated to a telco's downstream and upstream pathways.

"The core technology is pretty much set," Michael Weissman, vice president of marketing for Sckipio, a G.fast silicon startup, said. "Silicon vendors and developers can move forward on product development."

Based in Israel and founded in 2012, Sckipio last week said it landed $10 million from Gemini Israel Ventures, Genesis Partners, Amiti Capital and Aviv Ventures.

G.fast, which has also gathered interest from Broadcom, will flirt with speeds of 1 Gigabit per second thanks to its use of a wider swath of spectrum. The standard calls for G.fast to handle bandwidth profiles of 106 Megahertz and just north of 200 MHz, comparing to the relatively paltry 17 MHz of bandwidth used for the 17a profile of very-high-bit-rate DSL. Because G.fast can operate in higher frequencies, it will aim to reduce crosstalk interference through vectoring, a technique that is in widespread commercial deployment on DSL networks.

G.fast isn't a complete slam dunk. Telcos that use it will still be required to pull fiber to within 250 meters of the premises under an architecture referred to as fiber-to-the-distribution-point, or FTTdp.

In a recent report about the budding technology, Broadbandtrends LLC analyst Teresa Mastrangelo predicted the "majority" of G.fast loop lengths will be in the range of 30 meters to 50 meters.

With G.fast, "you end up with a very high-speed system for MDU (multiple dwelling unit) environments and single-family dwellings," Weissman said.

Although G.fast requires that telcos pull fiber closer to the premises, the technology intends to prolong the life of copper-fed DSL plant while being less complicated and less expensive to deploy than FTTH (see chart).

If it works as advertised, it could also give telcos another weapon to wield against cable's DOCSIS platform, which is already capable of hitting 1 Gbps in the downstream with DOCSIS 3.0. The new DOCSIS 3.1 spec is aiming for multi-Gigabit speeds.

"Fiber to the home is a nice response, but it really never pays for itself. They [the telcos] need something that is affordable," Weissman said. "Cable has the edge because VDSL has struggled to keep up with the performance requirements of DOCSIS 3.0, and the telcos need a response."

Weissman said Sckipio, with about 25 employees, expects to have some initial G.fast product available in 2014. "We have trials scheduled," he said.

RAMPING UP TO 1 GIG

Weismann doesn't expect the first batch of G.fast products to deliver 1-Gig speeds right from the chute. "If we could do affordable 200 Mbps at this time next year or 2015 in a deployed scenario ... that would be pretty special."

In the meantime, a select number of operators have already begun to test pre-standard versions of G.fast. Of recent note, BT Group teamed with Huawei Technologies on G.fast tests at BT's Adastral Park R&D center near Ipswich in the United Kingdom. In July, Alcatel-Lucent and A1, the Austrian subsidiary of Telekom Austria Group, also lab tested prototype G.fast technology.

TRANSLATION PLEASE

Fast-Recharging Batteries Can't Arrive Soon Enough!

It's now less than 10 days until Christmas. There's a good chance that you need extra batteries for some of those packages you'll put under the tree next Tuesday night — which seems a festive reason to drop in on that vital technology precinct.

Most of us grumbled through this year about this or that battery draining so quickly, or taking so long to charge or getting so hot when it's charging. Today's batteries seem to draw as much in expletives as they do in electrical current.

As much as we get mad at our batteries, though, they too are on a massive innovation trajectory.

For instance: Sumitomo Electric wants to triple the life of a battery using a complicated process that involves a new-ish conductive material called "Aluminum-Celmet." It gets painted onto a plastic foam, which gets nickel-plated and then heated, so the foam and other materials separate. The foam is more porous so more Lithium can go in, or some such.

Then there's the recharging mat. Plop your phone onto it, watch it refill its tank. Outfits like the Power Matters Alliance, founded by Procter & Gamble and PowerMat Technologies last year, want to line the horizontal surfaces of our lives with such charging pads. Coffee shops, train stations, ironing boards, you name it.

Here's an end state for batteries that's simultaneously desirable and inconceivable: Recharging our gadgetry without wires, and without a charging pad. What!

The Alliance for Wireless Power, among others, wants to do what charging mats do, but over longer distances.

But this is by far my favorite battery story of the year: Eesha Khare, 18 years old, invented a way to completely recharge a cellphone — in 30 seconds.

She (she!) won Intel's Young Scientist of the Year award for supercapacitor-based energy storage, detailed in the deliciously nerdy-sounding "Design and Synthesis of Hydrogenated TiO_2-Polyaniline Nanorods for Flexible High-Performance Supercapacitors."

Translation: Foundational stuff for a battery that lasts way longer than today's Lithium-Ion types — 10,000 cycles, compared to around 1,000 cycles inside the batteries powering the gadgets in our digital gardens now.

Bonus: It's solid state, which means no nasty battery juice inside. That also means it's environmentally friendly and can be bent, folded or rolled up and still maintain its electrical properties.

None of this will be ready by next Wednesday. But have faith. It's coming.

Stumped by gibberish? Visit Leslie Ellis at translation-please.com *or* multichannel.com/blog.

And the Nominees Are . . .

2013 Golden Globe TV-Category Nominees

Cable was again king as the industry's original comedy, drama and movie content drew the lion's share of Golden Globe nominations last week. Premium networks HBO, Starz and Showtime drew a bundle of nominations in major categories, while streaming service Netflix continued to gain recognition for its hits *House of Cards* and *Orange Is the New Black*. Starz's *Dancing on the Edge* drew two surprise nominations, including one for best miniseries or motion picture made for TV. Conspicuously absent from the 71st annual Golden Globes list were such previously nominated shows as Showtime's *Homeland* and AMC's *Mad Men*.

Best Television Series, Drama

Breaking Bad (AMC)
Downton Abbey (PBS)
The Good Wife (CBS)
House of Cards (Netflix)
Masters of Sex (Showtime)

Best Performance by an Actress in a TV Series — Drama

Julianna Margulies, *The Good Wife* (CBS)
Tatiana Maslany, *Orphan Black* (BBC America)
Taylor Schilling, *Orange Is the New Black* (Netflix)
Kerry Washington, *Scandal* (ABC)
Robin Wright, *House of Cards* (Netflix)

Best Performance by an Actor in a TV Series — Drama

Bryan Cranston, *Breaking Bad* (AMC)
Liev Schreiber, *Ray Donovan* (Showtime)
Michael Sheen, *Masters of Sex* (Showtime)
Kevin Spacey, *House of Cards* (Netflix)
James Spader, *The Blacklist* (NBC)

Best Television Series — Comedy or Musical

The Big Bang Theory (CBS)
Brooklyn Nine-Nine (Fox)
Girls (HBO)
Modern Family (ABC)
Parks & Recreation (NBC)

Best Performance by an Actress in a TV Series — Comedy or Musical

Zooey Deschanel, *New Girl* (Fox)
Lena Dunham, *Girls* (HBO)
Edie Falco, *Nurse Jackie* (Showtime)
Julia Louis-Dreyfus, *Veep* (HBO)
Amy Poehler, Parks & Recreation (NBC)

Best Performance by an Actor in a TV Series — Comedy or Musical

Jason Bateman, *Arrested Development* (Netflix)
Don Cheadle, *House of Lies* (Showtime)
Michael J. Fox, *The Michael J. Fox Show* (NBC)
Jim Parsons, *The Big Bang Theory* (CBS)
Andy Samberg, *Brooklyn Nine-Nine* (Fox)

Best Miniseries or Motion Picture Made for TV

American Horror Story: Coven (FX)
Behind the Candelabra (HBO)

Starz's *Dancing on the Edge*

Dancing on the Edge (Starz)
Top of the Lake (Sundance Channel)
The White Queen (Starz)

Best Performance by an Actress in a Miniseries or Motion Picture Made for TV

Helena Bonham Carter, *Burton and Taylor* (BBC America)
Rebecca Ferguson, *The White Queen* (Starz)
Jessica Lange, *American Horror Story: Coven* (FX)
Helen Mirren, *Phil Spector* (HBO)
Elisabeth Moss, *Top of the Lake* (Sundance Channel)

Best Performance by an Actress in a Miniseries or Motion Picture Made for TV

Matt Damon, *Behind the Candelabra* (HBO)
Michael Douglas, *Behind the Candelabra* (HBO)
Chiwetel Ejiofor, *Dancing on the Edge* (Starz)
Idris Elba, *Luther* (BBC America)
Al Pacino, *Phil Spector* (HBO)

Best Performance by an Actress in a Supporting Role in a Series, Miniseries or Motion Picture Made for TV

Jacqueline Bisset, *Dancing on the Edge* (Starz)
Janet McTeer, *The White Queen* (Starz)
Hayden Panettiere, *Nashville* (ABC)
Monica Potter, *Parenthood* (NBC)
Sofia Vergara, *Modern Family* (ABC)

Best Performance by an Actor in a Supporting Role in a Series, Miniseries or Motion Picture Made for TV

Josh Charles, *The Good Wife* (CBS)
Rob Lowe, *Behind the Candelabra* (HBO)
Aaron Paul, *Breaking Bad* (AMC)
Corey Stoll, *House of Cards* (Netflix)
Jon Voight, *Ray Donovan* (Showtime)

SAG Awards TV-Category Nominees

HBO drew 13 Screen Actors Guild Award nominations, including three each for *Boardwalk Empire* and *Game of Thrones*. AMC and Showtime garnered five nominations each, while Sundance Channel and streaming video service Netflix generated multiple nominations. AMC's *Breaking Bad* drew four nominations, including an Outstanding Performance by an Ensemble in a Drama Series nod and a Stunt Ensemble nomination, to lead all television shows.

Outstanding Performance by a Male Actor in a Television Movie Or Miniseries

Matt Damon, *Behind the Candelabra* (HBO)
Michael Douglas, *Behind the Candelabra* (HBO)
Jeremy Irons, *The Hollow Crown* (WNET/Thirteen)
Rob Lowe, *Killing Kennedy* (National Geographic Channel)
Al Pacino, *Phil Spector* (HBO)

Outstanding Performance by A Female Actor in a Television Movie or Miniseries

Angela Bassett, *Betty & Coretta* (Lifetime)
Helena Bonham Carter, *Burton and Taylor* (BBC America)
Holly Hunter, *Top of the Lake* (Sundance Channel)
Helen Mirren, *Phil Spector* (HBO)
Elisabeth Moss, *Top of the Lake* (Sundance Channel)

Outstanding Performance by a Male Actor in a Drama Series

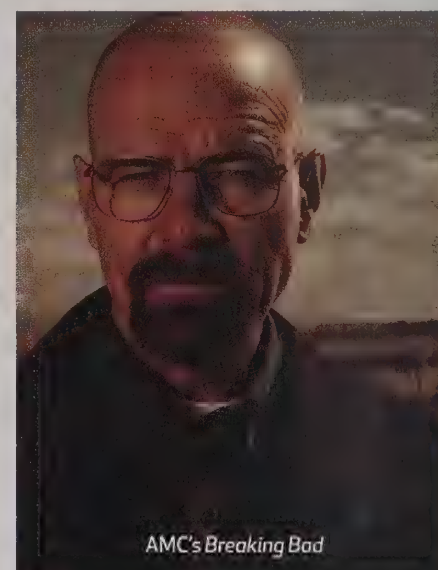
Steve Buscemi, *Boardwalk Empire* (HBO)
Bryan Cranston, *Breaking Bad* (AMC)
Jeff Daniels, *The Newsroom* (HBO)
Peter Dinklage, *Game of Thrones* (HBO)
Kevin Spacey, *House of Cards* (Netflix)

Outstanding Performance by a Female Actor in a Drama Series

Claire Danes, *Homeland* (Showtime)
Anna Gunn, *Breaking Bad* (AMC)
Jessica Lange, *American Horror Story: Coven* (FX)
Maggie Smith, *Downton Abbey* (PBS)
Kerry Washington, *Scandal* (ABC)

Outstanding Performance by a Male Actor in a Comedy Series

Alec Baldwin, *30 Rock* (NBC)
Jason Bateman, *Arrested Development* (Netflix)
Ty Burrell, *Modern Family* (ABC)
Don Cheadle, *House of Lies* (Showtime)
Jim Parsons, *The Big Bang Theory* (CBS)



AMC's *Breaking Bad*

Outstanding Performance by a Female Actor in a Comedy Series

Mayim Bialik, *The Big Bang Theory* (CBS)
Julie Bowen, *Modern Family* (ABC)
Edie Falco, *Nurse Jackie* (Showtime)
Tina Fey, *30 Rock* (NBC)
Julia Louis-Dreyfus, *Veep* (HBO)

Outstanding Performance by an Ensemble in a Drama Series

Boardwalk Empire (HBO)
Breaking Bad (AMC)
Downton Abbey (PBS)
Game of Thrones (HBO)
Homeland (Showtime)

Outstanding Performance by an Ensemble in a Comedy Series

30 Rock (NBC)
Arrested Development (Netflix)
The Big Bang Theory (CBS)
Modern Family (ABC)
Veep (HBO)

Outstanding Action Performance by A Stunt Ensemble in a Comedy or Drama Series

Boardwalk Empire (HBO)
Breaking Bad (AMC)
Game of Thrones (HBO)
Homeland (Showtime)
The Walking Dead (AMC)

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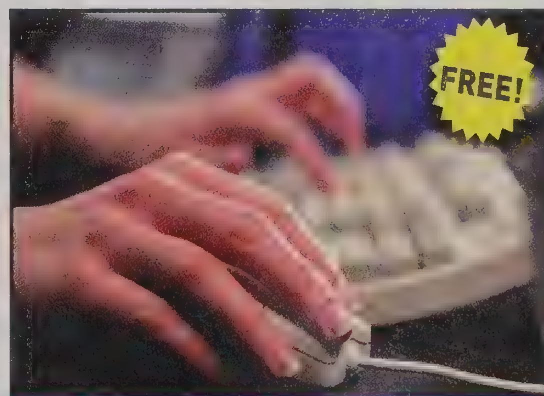

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VOICES

AS I WAS SAYING GARY ARLEN

AS COMCAST TALKS TELEHEALTH, MOBILE VENTURES ACCELERATE DEPLOYMENT Dec. 11

Cable's long-festering promises to plunge into health and wellness businesses have been superseded by rapid wireless initiatives. Cable is even largely invisible in the fast-growing delivery of such services via Wi-Fi, despite operators' vows to launch such capabilities.

Ironically — or at least coincidentally — Comcast unveiled plans for a broadband health venture in California on the same day as the fifth annual mHealth Summit in suburban Washington, D.C., offered an array of immediate wireless wellness and healthcare deployments, as well as future dreams.

The Comcast initiative with the California Telehealth Network, part of a Dec. 10 tech demonstration at Comcast's Silicon Valley Innovation Center, seems like yet another well-intentioned promise for remote healthcare services as a new revenue source. In contrast, the vitality at the mHealth event demonstrated how to cash in on the health sector, which constitutes (by various estimates) about 15% of America's national budget.

But it's not too late for cable to grab more of that infrastructure, perhaps by taking a few cues from the well-financed wireless adventurers. The trick will be finding ways to collaborate with the complicated health/medical/wellness community which — as seen at the mHealth event — is pushing digital health applications as diverse as smart pill bottles, real-time monitoring, local networking and remote medical delivery.

For more from this blog, visit multichannel.com/Dec16.

MCN'S MOST READ

TOP ARTICLES ON MULTICHANNEL.COM, DEC. 6-13

1. A+E Rebranding Bio Channel Into Lifestyles-Based Network
2. World Cup 2014: Kicking Around ESPN's Coverage Plans With Jed Drake
3. Moonves: Time Warner Cable Deal Set Mark
4. Sarah Palin to Host Original Series on Sportsman Channel
5. Verizon FiOS TV Expands Out-of-Home Streaming Roster

To read these stories, visit multichannel.com/Dec16.

Numbers

96%

Share of U.S. households that have the ability to stream online video content over a connected TV.

SOURCE: "The New Living Room," proprietary study by Crackle and Frank N. Magid Associates, conducted October 2013

SAY WHAT?

"A la carte cable is a farce. People want bundles; they just want different bundles."

— Chase Carey, 21st Century Fox chief operating officer, at the UBS investor conference on Dec. 10

TUNED IN

BY LEO MICHAEL

TALKBACK

www.multichannel.com

Round of Applause For the Mark Awards

(Re: "CTAM Ends Mark Awards After 30 Years," Dec. 10): "It was an honor to be a finals judge for the past several years. Also a great way to see what was going on in the industry, as well as form wonderful connections."

Lynette Fine

Startups Should Pony Up for Captions

(Re: "Pryor, Markey Push FCC To Mandate Clip Captioning," Dec. 10): "What did they expect? Captioning costs money, and these greedy corporations don't want to spend it.

"On TV, there is still an exemption for captioning on newer networks, as not to cause an 'undue burden' on a new channel's startup costs. But these new channels have a high probability of being started by one of seven mega-media companies that own everything.

"They have the money, but won't spend it on captioning because they are NOT REQUIRED TO. I'm looking at you, MundoFox!"

"FrankM"

A Retrans Win, Or Hollow Victory?

(Re: "Moonves: Time Warner Cable Deal Set Mark," Dec. 11): "Hey, Les, better yet — take must-carry and provide consumers the no-cost public service you are required to provide in exchange for the generous gift taxpayers provided you in exchange for your broadcast spectrum. Let's not lose sight of the fact that you didn't win anything. Consumers lost. It is the cable-consuming public that has subsidized your failure to innovate and adapt to a changing environment. Congress will no doubt fix it — sooner rather than later."

Quigley Spargus

Twitterati

"Overheard at the Valet - ONLY in Los Angeles: 'Sorry, but that's the wrong #Tesla.'" @eshap, ***Evan Shapiro, president of millennials-targeted cable network Pivot, on Dec. 12***

"Looks like AMC will end 2013 as a top 10 network among A18-49, knocking ABC Family out of the top 10. AMC is the one who knocks...out nets." @TVMoJoe, ***New York magazine West Coast culture editor Joe Adalian on Dec. 11***

""do you miss me yet?i promise to keep you engaged/appalled until next september. thank you for making it another amazing season of #SOAFX." @sutterink, ***Sons of Anarchy creator and showrunner Kurt Sutter on Dec. 13, the morning after the show's season-6 finale, which drew record ratings***

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Defining the Networked Age

ACCESS

DR. EVERETT EHRLICH
ECONOMIST

Shoshanah Zuboff, who wrote the far-seeing *In The Age of the Smart Machine* some 25 years ago, considered that she longed to live in 1848 to witness the birth of the industrial economy, only to realize she was already witnessing the birth of its successor, the informated economy. Today, we are at a comparable moment. We are witnessing the birth of the networked age, in which information and communication are virtually costless and the rest will be history.

The broadband policy agenda facing new Federal Communications Commission chairman Tom Wheeler will, a similar quarter century from now, be seen as the birth of this new era. Will the courts decide that the FCC can dictate how the Internet handles net neutrality (the doctrine that all Internet traffic must move on the same terms and conditions)? And if the courts don't allow this, will chairman Wheeler take the radical, if not surreal, step (suggested by critics) of declaring broadband "a telephone service" and flirt with imposing common carriage on hundreds of billions of assets paid for by investors?

Along the way, Wheeler will also decide if he should tilt the next spectrum auctions against the current market leaders, come up with a policy to allow individuals to manage their identities on the network, decide what universal service ought to mean in the digital age and whether to mimic such old telephone practices as regulating interconnection among the Internet's myriad networks.

"It's a busy agenda, but it's all one agenda — defining how the networked age is going to work."

It's a busy agenda, but it's all one agenda — defining how the networked age is going to work. These many issues are all about the central question of the moment: Whose preferences will provide the structure for the networked age, those of the interaction between providers and users in the market, or those of planners?

I am not one who's religious about free markets, not when the planet seems to be at risk or a manic financial system seems to be at work. But that question of who will be at the center of the networked Internet — the consumer, or planners and regulators who gain dominion over it — is the one we face, and it needs to be answered intelligently. Markets are going to end up driving the broadband network, and it's time to accept that as both desirable and inevitable.

Why? First and foremost, no one aside from investors and companies is going to build the networks of the future. It's going to cost trillions the public sector doesn't have. There's no good precedent for the public Internet model working sustainedly, and the task will only get exponentially larger. Denying this reality becomes a self-fulfilling prophecy.

When we regulated cable in the early 1990s, we got less of it. When we imposed common carriage on telcos, we froze them in the DSL world and were late to fiber. But the Clinton Administration, in the 1996 Telecommunications Act, changed course. Its policy for the "information superhighway" was "if you let them, they will build it." And they — the companies that funded and created the cable, fiber, DSL, mobile and satellite infrastructure that the Internet rides on — did.

Second, planners have no idea what the network should look like a decade from now. How will it balance these competing infrastructures, plus whatever else? Some advocates simultaneously tell us that the national network has to be fiber, that cable "has already won" and that municipalities should build their own Wi-Fi. But the future will be a mix of all of these options, as the most effective, hybridized system evolves. The FCC deciding or preordaining what it will be or, more chillingly, ought to be, can only be a disaster.

Third, there's a vital difference between saying the network is important, and saying it requires specific regulation. Yes, it's important, but that doesn't tell us what to do about it. Should we require someone to show harm was done before barring a specific practice, or should we prohibit it without evidence? Should we allow content providers to pay different prices for different levels of service, or should we force the Internet into a "neutral" one-size-fits-all mode reminiscent of the dress code at the Cultural Revolution?

Neutrality's proponents have turned up the rhetorical heat in recent weeks, talking about the "death of the Internet as we know it," or that we can't let Internet-service providers (ISPs) "discriminate" or somehow restrict the "permission to innovate." In reality, the Internet would probably function better if those websites that wanted a premium connection could buy one. That would speed such innovations as telemedicine and remote learning, or live entertainment, by making an uninterruptable and unbuffered signal possible.

Moreover, allowing ISPs to sell different levels of service to websites would lower the cost of broadband to the consumer, since it would create a second revenue stream for the ISPs, much as advertising in a newspaper lowers the cost of that newspaper to its readers. And then — there's this: Are you more worried that your ISP won't let you see Netflix, or that Netflix will charge your ISP to let you see it?

Ours is a mixed private-public economy that protects the consumer and prohibits corrupt or predatory behavior. We respect civil rights, free speech, and the right to privacy. That framework can guide the Internet.

Otherwise, let the market do its job. The planners won't do any better. ■

Dr. Everett Ehrlich is a former undersecretary of commerce in the Clinton administration.

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SAG Awards 'Mad Men' Swag Gets Love SAG Judges Lacked

The **Screen Actors Guild Awards** Holiday Auction, an online charity event conducted Dec. 5-15, was winding down last week with some cable-related tchotchkes doing their part to help kids and voiceover artists, among others.

AMC's *Mad Men* failed to get any love from the SAG Awards judges: no nods for best actor, female actor ("actress" is out) or ensemble (there are no supporting actor awards). The fans were sharing some love, though, with 12 bids ($127.50 at press time) for a swag bag from the swaggering, cocktail-swilling Madison Avenue set.

Still, that seemed a little low for DVDs of seasons 1-4, a crew T-shirt, a **Sterling Cooper & Partners** mug, and a season 5 Blu-ray set signed by creator **Matthew Weiner** and the cast. Oh, and that "certificate of authenticity." The Wire would like to see the certification of authenticity for the judges that snubbed the show.

It didn't take an ad man to sell SAG Awards Holiday Auction participants on this bundle of *Mad Men*-related swag.

Appropriately, **FX**'s *Sons of Anarchy* was generating a lot of auction action, with 44 bids for a signed DVD set of seasons 1-5. Going price: $202.50. A signed script drew 19 bids and was up to $76.

Fans were psyched for **USA Network**'s *Psych*, which had generated 33 bids and a high offer of $260 for its swagaliciousness, comprising a *Psych* laptop bag, a *Psych* trading card set, a *Psych* binder, a signed copy of *'Psych's' Guide to Crime Fighting for the Totally Unqualified*, the complete seventh season of *Psych* on DVD, two medium-sized T-shirts, a cast-signed photograph and — OK, everybody together now — "a partridge in a pear tree!"

A set of four VIP tickets to a taping of **TV Land**'s *Hot in Cleveland* and an autographed script had drawn 11 bids with a high bid of $152.50. A signed script for **TV Land**'s *Happily Divorced* was still an affordable $32, while a signed script for FX's *American Horror Story* had scared up $135.

In other SAG auction news, apparently watching *E! News* blanket the red carpet before the awards show is hot in Hollywood. The press-time high bid for four front-row seats on the red carpet "across from the *E! News* Outlet" was $650.

Proceeds from the holiday auction, which ended Sunday (Dec. 15), benefit children's literacy, emergency relief to union members, video and audio preservation, scholarships and workshops, and the operation of the Actors Center and the **Don** ["In a World..."] **LaFontaine** Voice-Over Lab.

SAG will also conduct a red carpet bleacher seats auction (Jan. 2-7), and a Jan. 16-26 auction for seats at the awards ceremony.

— John Eggerton

VH1 Topper Calderone Picks Top Albums From Strong 2013

With a few shopping days still left, The Wire was pleased to receive (and pass along) a list of the top music albums of 2013 from **VH1** president **Tom Calderone**, whose career started out in alternative-rock radio before then-**MTV Networks** chief **Judy McGrath** recruited him into the MTVN fold.

"The cool thing about this year was an immense diversity," Calderone told The Wire. "Not everything sounded the same.

"You could look at **Kurt Vile** and **John Grant** as quote-unquote singer-songwriters, but coming with a totally different perspective on how they get their words across," he continued. "On the other side you have the power of the women this year. Whether it's **M.I.A.**, who basically did the album that [**Lady**] **Gaga** should have done. Then you have three sisters from California who started a family band, **Haim**, and all of a sudden became international superstars and now are starting to take over the United States. That has been fun to watch."

VH1 president Tom Calderone, with '13 favorite Haim.

He also enjoyed seeing established artists such as **Arctic Monkeys** produce "probably their most seminal, important album in their career" and the likes of **Yo La Tengo** and **Jay-Z** continue a process of reinvention.

Herewith, the list, and some commentary from Calderone:

1. **Arctic Monkeys:** *AM*.
2. **M.I.A:** *Matangi*.
3. **The 1975:** Self-titled debut album. "Very simply produced, but complex lyrics, complex layers of sound."
4. **Jay-Z:** *Magna Carta Holy Grail*. "Really edgy. His rhymes are great in this one."
5. **The Palma Violets:** *180*. "When you listen to them they sound more jingle-jangle pop, but they are full-on a rock band. They are just disruptive for all the right reasons."
6. **Foals:** *Holy Fire*. "I'm really impressed with the way they have taken on an incredibly complex production style and made it into their own."
7. **Haim:** *Days Are Gone*.
8. **The National:** *Trouble Will Find Me*. "For me, it's all about [Matt Berninger's] voice. And this album is really, really strong."
9. **Sleigh Bells:** *Bitter Rivals*. "They rock out as hard as Muse does but add a little more hip-hop and topicality to their music."
10. **Parquet Courts:** *Light Up Gold*. "Clever is the best way to describe them. I'm just really impressed with them."
11. **Peace:** *In Love*. "If John Hughes was still making movies today, he would be using Peace as one of his bands, particularly this song called 'Lovesick.' "
12. **Kurt Vile:** *Wakin on a Pretty Daze*.
13. **John Grant:** *Pale Green Ghosts*.
14. **Yo La Tengo:** *Fade*.
15. **Chvrches:** *The Bones of What You Believe*. "They've had a lot of really great singles but this is the first time they've put together a strong, strong record, and I think this one's going to through for the next year or so."

— Kent Gibbons